

A contribution towards a common policy framework for the presidential elections.

Fifteen proposals for a new era

Pierre Calame, June 2026

Summary

Over the past fifty years, the world has undergone tremendous technological, sociological, economic and geostrategic upheavals. The impact of human societies on the biosphere is of such a scale that it threatens our very survival; demographic shifts and international migration; the dizzying development of computing, digital technology and artificial intelligence; the emergence of China on the world stage... today's world bears little resemblance to that of a century ago. And yet our way of thinking about the world, the nation and the management of society has not evolved at the same pace. Political parties have failed to grasp the full extent of these changes and have not renewed their ways of thinking and acting. This lag weighs heavily on democracies. They are struggling to devise the long-term strategies that such radical changes would require. Citizens are aware of this. They are losing confidence in political parties. They risk losing confidence in democracy itself. The 2027 presidential elections must provide an opportunity for a much-needed revival.

Faced with these upheavals, three approaches are possible: to deny them and hope to return to an idealised version of France's past; to try to take account of the new realities whilst retaining ways of thinking and institutions inherited from the past; or to recognise that we have entered a new era and renew our ways of thinking and institutions accordingly. The first two approaches are doomed to failure. The first, which currently offers the greatest sense of reassurance, explains the rise of the National Rally. The second is the stance adopted by most other political parties. Their manifestos consist of a patchwork of proposals, many of which will prove unworkable. Citizens are more or less aware of this. The only chance of preventing the National Rally from governing France in 2027 is to forge a broad alliance around a new approach, suited to our times. That is the purpose of this policy framework. It does not address the issues that preoccupy public opinion and the parties on a day-to-day basis: pensions, the public deficit and debt, healthcare, security, justice, immigration, progressive taxation and public services. There are already plenty of proposals from the parties in these areas. Instead, it proposes a new framework for thinking about all these issues. It sets out the four major transformations of our time: the economy, governance, values and the legal system, and the management of global interdependencies. For each of these, it illustrates what they entail through concrete proposals.

A. The transformation of the economy: the great return to the forefront of the Economy

Our society is confronted with the limits and vulnerabilities of the biosphere, just as it was before the Industrial Revolution. That revolution marked the beginning of a historical interlude. It enabled Europeans to harness the world's natural resources for their own benefit and to draw on stocks of fossil fuels and minerals of all kinds, accumulated over millions of years. This is what underpinned our current model of development. That interlude has come to an end. As illustrated by the need to drastically reduce our carbon dioxide emissions. We must reinvent an economic model that reconciles the well-being of all with the preservation of our environment – something the tools of conventional economics do not allow us to achieve. This model was once called 'Economy', which meant: the rules for managing our common home. Today, this 'common home' is the planet. The etymology of 'economy' reminds us that it is not an autonomous science with its own laws to which humanity must bow, but a branch of governance. As such, to invent the 21st-century economy, we can draw on general principles of governance. My proposals focus on three in particular:

1. Devising regulations tailored to the specific nature of each challenge

This is not what we are currently doing, as we stick to one-size-fits-all solutions combining taxation, standards, bans and obligations. This first principle is illustrated by four examples:

- a) ***The fight against climate change: individual emission quotas.*** Because greenhouse gas emissions are capped and must be reduced year on year to save the climate, the measures taken to combat climate change must meet five criteria: reduce our total climate footprint; achieve a 6 per cent annual reduction in this footprint for at least 25 years; be socially just; involve all public and private stakeholders; and allow citizens the freedom to choose how to reduce their footprint. Only one mechanism meets these five criteria: the allocation of equal emission quotas to everyone, reduced by 6 per cent each year, with the option for each individual to capitalise on their energy efficiency by selling their surplus quotas;
- b) ***Soil and water: collective learning in managing complexity.*** Soil and water are ‘commons’ with multiple functions, the quality of which must be preserved. To achieve this, multi-stakeholder dialogues must be organised at the level of each local area to learn how to characterise in detail the multiple functions and characteristics of soils and the various aspects of the water cycle, in order to determine the rules for their management. This is a learning process that enables a thorough review of the fiscal, financial and regulatory tools underpinning this integrated management;
- c) ***The pooling of knowledge and experience: the key to prosperity.*** These resources become all the more abundant as they are shared. The internet, followed by AI, is making it increasingly easy to harness them for the benefit of all. Quality of life is not measured solely by the quantity of goods purchased. It depends on the richness of social relationships, both commercial and non-commercial. This highlights the political importance of the cooperative development of knowledge bases and experiences, which strengthens both social cohesion and each individual’s capacity to think and act. The mobilisation of shared knowledge will profoundly transform regional economies, for example in the field of healthcare.
- d) ***The necessary plurality of currencies.*** The euro is a valuable asset for organising the market at a European level. However, it is absurd to want to use only the euro; just as absurd as if one were to reduce nutrition to a mere sum of calories. We must develop at least two other types of currency: ‘carbon currency’, created by individual quotas – which require the carbon content of goods and services to be labelled – and the debiting of a carbon account for each purchase; and local currencies, which stimulate trade within each region and prevent a situation where people are left idle whilst needs remain unmet. The development of digital currencies makes it easy to use different currencies simultaneously.

2. Fostering the emergence of actors capable of implementing the objectives of the Economy

The economy of the 20th century rested on two pivotal actors around which others aggregated: the State and the mega-corporation. They reflect the scope and limits of First Modernity, which sought efficiency through specialisation. Second Modernity, which we must invent, aims, on the contrary, to manage relationships of all kinds. It calls for the emergence of two further pivotal actors: territories on the one hand, and global production networks on the other. These are not legal entities but collective actors, social constructs. A sustainable society rests on sustainable territories and production networks. This is what we must invent:

- a) ***The emergence of the territory as a pivotal actor.*** At first glance, it seems paradoxical to make local territories major actors in a globalised economy. This stems from the fact that they are, par excellence, the spaces in which social, economic and ecological relationships of all kinds are managed. But we must equip ourselves with the means to describe, measure and characterise the metabolism of a territory in the same way as that of a living being. The difficulty lies in the fact that, unlike a living being, a territory has no membrane to filter exchanges between the organism and the outside world. We have very little understanding, for example, of how money and energy flow between territories and the outside world, or within territories themselves. Steering the transition towards sustainable territories depends, above all, on the ability of the various public and private stakeholders to cooperate and share a common strategic vision. This is what must be built as a priority, and to achieve this, territories must be provided with the necessary human resources.
- b) ***Reorganising global trade around sustainable supply chains.*** Global production supply chains, by sector,

involve thousands of stakeholders from around the world, orchestrated by a few dozen dominant firms. Every financial, health or political crisis reveals not only their fragility but also the extent of our dependencies. It is also through these crises that we can gauge the impact of our way of life on the biosphere. The idea that free global trade creates sustainable supply chains is illusory. France, within Europe, must advocate for a reorganisation of global trade based on sustainable supply chains – that is to say, socially equitable, environmentally sound, legally responsible, commercially balanced and politically resilient.

3. Defining the conditions for the legitimate exercise of economic power

Economic power is exercised legally if it is under the control of the owners of the companies. But this is not enough for it to be exercised legitimately in the eyes of society. For this to be the case, a series of conditions must be met:

- a) ***The company, whatever its legal status, must be placed at the service of societal issues.*** The creation of mission-driven companies and the monitoring by an independent body of how this mission is fulfilled is a step in this direction;
- b) ***The company must measure what really matters by implementing triple accounting.*** Current accounting practices are designed to preserve financial capital. The other two forms of accounting are designed to preserve human capital and natural capital;
- c) ***Rules must be established to govern the distribution of remuneration, and solidarity must be fostered amongst the various categories of staff*** by capping senior executives' earnings and ensuring that the allocation of share options exclusively to senior executives does not alienate them from the rest of the workforce.

B. The transformation of governance

Governance is a generic term for the management of society, where our usual terms 'state' and 'politics' confine us to outdated categories. Talking about governance allows us to boldly devise the forms of management required in the 21st century. We now need to devise a new form of governance, capable of reconciling local autonomy with the management of the common good right up to the global level, renewing democracy and the way we collectively conceive and implement public policies, whilst restoring the national level to its rightful place. Four proposals are put forward:

1. Embarking on a new, decisive phase of decentralisation

Previous stages have created a deceptive form of decentralisation and an administrative maze in which no one can find their way. The new phase of decentralisation must bring about three fundamental shifts: a new conception of power; the ushering in of a 'second modernity' in which the management of relationships takes centre stage; and the need to ensure that the various levels of governance cooperate in the pursuit of the common good. This gives rise to nine principles: it emphasises collective processes and the co-construction of the public good with all stakeholders; it ushers in the transition to 'second modernity' by prioritising relationships; it prioritises the concept of multi-level governance; it enables major public policies to be rethought from a territorial perspective; it calls for constitutional reform; it prioritises the employment catchment area level; it generalises the use of deliberative democracy; it redistributes the expertise currently held by the State amongst the various levels of governance; it strengthens the State's strategic role by transforming it.

2. Moving from representative democracy to permanent democracy.

Democracy as we practise it today reflects the conditions that gave rise to it in the 18th century, not today's conditions. We are passing more and more laws, yet they have less and less real impact. Seeking to reform the democratic system through new rules would therefore be paradoxical. What we need are new democratic *practices*, developing – whatever the issue – the art of identifying common objectives, agreeing on an ethic of dialogue and accountability, and establishing multi-stakeholder processes for devising solutions. The outcome may be a change in practices, a new vision of the future, a fresh perspective on the issue at hand, or a new way of cooperating – and not necessarily a new law. Rather, it is a new way of conceiving of society, and each new process reinforces its intangible capital: the art of living and creating together.

3. Organising the Estates-General of French society

Organising a ‘States General’ is what we have done throughout history when governance has been in crisis. And that is certainly the case today. With a view to rethinking the concept of power, the ‘what’ – the political programme – is replaced by the ‘how’ – the way of devising it collectively, whilst restoring social cohesion to its rightful place of honour. Launching such a process today would mean ‘putting society to work’, mobilising intellects and experiences in a fundamentally cross-party initiative involving all sections and all age groups of society to review all major public policies. This National Assembly of French Society must be organised in two stages: a regional stage followed by a national stage.

4. Restoring the European project to its former glory

It was indeed an epic endeavour from the outset: the only political creation to emerge from the Second World War that holds promise for the future, because it was the sole example of peacefully overcoming national self-interest. We must recapture the spirit of that epic. The European Union today relies too exclusively on market unification, which was originally nothing more than a stopgap measure to save Europe following the rejection of the European Defence Community in 1954. The reforms to be undertaken are an extension of broader reflections on the transformations of the 21st century and echo those proposed for France; and it is up to the EU to champion them with determination, yet without arrogance, amongst the other Member States. Six reforms are proposed: to make European governance a model of multi-level governance; to recognise and promote the importance of local communities and regions as the basic level of multi-level governance; creating the conditions for a permanent democracy and strengthening Europeans’ sense of belonging; adopting a European Charter of Human Responsibilities to underpin the renewal of the social contract; renewing economic thinking and reorienting the ‘New Green Deal’ on this basis; ensuring that Europe contributes actively to dialogue between societies.

C. A new balance between individual rights and responsibilities

1. Responsibility: a universal value

At present, human rights, which stem from Western philosophy, are the only universally recognised value on the international stage. But they are not sufficient to underpin the protection of the planet. In fact, the only value found in all societies is responsibility, as it stems from the very idea of community: a community exists when each of its members recognises that they are accountable for the impact of their actions on the other members of the community. The idea of responsibility does not negate – quite the contrary – the idea of individual rights, but leads to the search for a fair balance between rights and responsibilities.

2. The transformation of responsibility

The idea of responsibility is inseparable from that of *freedom*; in the absence of freedom, we must speak of duties, not responsibility. And it underpins *the social contract*, which defines, for social groups, the balance between the freedom they enjoy and the responsibilities they assume in return towards society. Responsibility is, of course, not absent from our legal system today, but it is conceived in a limited way; yet *the sum of each individual’s limited responsibilities results in societies characterised by unlimited irresponsibility*. This is something we are seeing more and more clearly every day. We must therefore, in the face of the world’s new challenges, undertake a transformation of responsibility to broaden it along six dimensions:

- from subjective liability to objective liability;
- from liability limited in time and space to unlimited liability;
- from personal responsibility to collective responsibility;
- from responsibility towards the past to responsibility towards the future;
- from responsibility towards humans alone to responsibility towards the entire biosphere;
- from obligations of means to obligations of result.

3. France and Europe: pioneers of a Universal Declaration of Human Responsibilities

We need a founding text adopted by the international community with the same scope as the 1948 Universal Declaration of Human Rights. A draft of this Declaration has been drawn up within the framework of the Alliance

for a Responsible and United World. It must be discussed at both the French and European levels, a common text adopted at both levels, and this proposal then taken to the global stage.

4. Renewing the social contract: a major political issue

Social cohesion rests on social contracts – whether implicit or explicit – which define the role and responsibility of major social bodies, as a counterpart to their freedom of enterprise and their power, and which underpin the legitimate exercise of that power. The social contracts of the past, relating to business, finance, research, education and politics, are often outdated. Redeveloping them collectively in consultation with each of these social groups will help to rebuild mutual trust, ensuring that their freedom is coupled with a responsibility towards society. The Universal Declaration of Human Responsibilities provides a sound basis for this: the social contract is the concrete expression, for each of these social groups, of the principles of responsibility set out in the Declaration.

D. France in the world: a blueprint for legitimate global governance

The scale of global interdependence calls for global regulations on the same scale, which is not currently the case. These interdependences affect our daily lives, and the old distinction between ‘domestic affairs’ and ‘foreign affairs’ no longer reflects reality. There is no longer a distinction between ‘us’ and ‘them’; we are all in the same boat and cannot get off it – we must steer it safely to port together. We are bound to build, together, a responsible and united world. France cannot do this alone, nor can Europe, but our history gives us both the opportunity and the duty to outline its contours. Here are four concrete proposals along these lines:

1. Promoting a global art of peace

Unlike the art of war, this art is neither truly systematised nor taught. Yet the art of peace – the transition from a situation of violent conflict or war to lasting peace – is a complex art that must draw on the lessons of numerous historical situations.

The art of peace is not pacifism or the denial of conflict. Conflicts are everywhere. Genuinely accepting differences is never straightforward. Material and symbolic interests compete with one another. The art of peace is the art of seeking non-violent resolutions to these many conflicts. We can advance this cause by taking the initiative to establish an international network of Schools of Peace.

2. Promoting new forms of dialogue between societies

Inter-state dialogue is no longer sufficient to embody dialogue between societies. We must foster direct dialogue between different social and professional groups within each society. It is by discovering, beyond their differences, that they face similar challenges that societies become aware of belonging to the same human family. I experienced this first-hand during the Forum for Dialogue between European and Chinese Societies. We must expand and sustain this type of dialogue, whilst learning to manage the misunderstandings that cultural differences often give rise to.

3. Contributing to the emergence of a global law of responsibility

There is currently no global law, only international law governing relations between states. We must build and promote this global law, based on the principles set out in the Universal Declaration of Human Responsibilities. And, to implement it, we must draw on the framework established over the decades for human rights. Only companies with a global impact would fall under the jurisdiction of a global court; smaller companies would fall under the jurisdiction of a regional court; and those even smaller still would fall under the jurisdiction of national courts, in accordance with the principles of multi-level governance.

4. Strengthening the management of global commons

We need to consolidate France’s contribution to the management of global commons: these affect us directly and on a daily basis and are no longer a matter for diplomacy alone. And, at the global level, we must establish a ‘guardian’ for each global common good, tasked with ensuring that its integrity is upheld and, in this capacity, with bringing cases before the courts against any public or private actor that fails to meet its obligations.

Preamble: creating a common policy framework for a broader alliance

The recent local elections, with a record abstention rate, confirm the depth of the political crisis and the disaffection with democracy. They reflect the feeling that voting will not make much difference, as the various parties are unable to respond to the serious challenges that everyone senses. The debate already in full swing regarding possible alliances and candidates for the presidential elections only serves to reinforce this scepticism, as tactical considerations and posturing seem to take precedence over substantive policy discussion.

This lack of substance in political programmes reflects a fundamental reality: we are experiencing a genuine turning point in history, with threats to the integrity of the biosphere going so far as to jeopardise the future of humanity, the irreversible globalisation of interdependencies, demographic transition, increasing life expectancy, and technological upheavals – of which artificial intelligence is the most recent manifestation – yet our ways of thinking and our institutional systems remain shaped by the realities of the past and fail to take account of this new state of the world: our approach to the economy is rooted in theories dating back several centuries; our legal systems remain essentially national; our institutional framework is a legacy of the Revolution; and our conception of social justice was developed within relatively closed national economies where the challenge was to achieve a fair distribution of income from capital and labour.

How can we bridge this gap between reality and our modes of action? Two temptations are emerging. The first is to return to a largely fantasised past, denying the reality of interdependencies, threats to the biosphere and demographic upheavals. This is, broadly speaking, the approach taken by Donald Trump and his imitators: exclusive focus on the interests of the national community, denial of threats to the biosphere, and nostalgia for a ‘white nation’ that never really existed. The second is to attempt to ‘put new wine into old wineskins’ by taking account of new issues, both ecological and social, whilst remaining within a system of thought and an institutional framework inherited from the past. Giving in to this will not lead to the rehabilitation of politics either. In my view, the only viable solution is to dare to challenge the frameworks of thought inherited from the past and to *lay the foundations for a system of thought and an institutional framework that take into account the reality of our world and the challenges it must imperatively address*, lest the conditions for our well-being – or even our survival – gradually disappear.

The forthcoming presidential elections demonstrate the hold that the first temptation – embodied by the National Rally – has over public opinion in our country. It is not enough to invoke a fantasised past in order to bring it back to life. But one cannot combat nostalgia and very real anxieties through fear-mongering or by showing contempt for that large minority of French people who cling to such sentiments, feeling they cannot find their place in a world being built without them and fraught with threats, and harbouring the idea of decline and social decline for themselves and their children. *This nostalgia and these anxieties can only be countered through a positive narrative, a genuine vision that opens up new prospects* where everyone can hope to find their place and their dignity.

All the polls show that only a very broad alliance – which many would call unnatural – which, in the face of polarisation, ushers in the search for consensus and the management of global commons – concepts so alien to French political life in recent years – will enable all those who refuse to resign themselves to an illusory retreat into isolation to prevent the National Rally from taking power. The various putative or self-declared candidates for the Presidency of the Republic – whether or not they represent a party – proclaim in unison, and with a good dose of bad faith, that adherence to a programme takes precedence over the choice of a man or woman to embody it, and they all claim that a team working alongside them is dedicated to developing it. But what programmes are we talking about, and what chance do these various programmes have of

identifying a common core that would justify any first-round candidate from these diverse movements, should they reach the second round, rallying the others behind their name? The ‘Republican front’, defined in negative terms as ‘blocking the path of the National Rally’, is a thing of the past. It is around positive visions that the nation can unite.

Unfortunately, ‘manifestos’ as they are currently conceived – with dozens, or even hundreds, of so-called ‘concrete’ proposals designed to appease a whole range of voter groups – do nothing to foster the emergence of a shared vision. Furthermore, citizens sense that many of these proposals will subsequently come up against the reality on the ground, the French Constitution or European law, or will fail to deliver even the modest benefits promised, leading to a loss of confidence in political parties and, more seriously, in democracy itself.

The common policy framework must therefore set out a vision, a long-term outlook, shared objectives, common values and methods for formulating major policies and implementing them. For the transformations that lie ahead for society are so profound and diverse that they will not be achieved either during the first hundred days of the five-year term or within a single five-year term. All the presidential candidates who claimed the opposite – ‘change people’s lives’, ‘change is now’, and so on – have deceived society, perhaps whilst deceiving themselves, by overestimating the inherent power of politics and the nation state, by believing in the automatic knock-on effect of French policies on European institutions, and by forgetting that society cannot be changed by decree.

This shared programme, the existence of which will not prevent the various components of this broad alliance from distinguishing themselves from one another during the parliamentary elections – by prioritising one means or another of realising this shared vision – must therefore *restore the importance of the long term*. Thirty years ago, a concern already began to emerge: is democracy capable of sustaining long-term strategies? If it is not, it is doomed! And thirty years on, we are indeed witnessing the inexorable decline of true democratic regimes, including in Trump’s United States, which is veering towards dictatorship. By contrast, China – which Europe has for so long looked down upon, relegating it to the role of the world’s workshop, producing at low cost what others had designed, and deemed incapable of innovation for cultural and political reasons – has gradually revealed itself to be a formidably effective model combining state centralism, long-term planning and the stimulation of competition.

Europe and France are waking up late, but they are by no means lacking in assets. As the birthplace of what might be called ‘first modernity’ – of which the Age of Enlightenment was the standard-bearer – they possess, thanks to a recognised capacity to conceive of the universal, the means to lay the foundations for a second modernity capable of meeting our new challenges. This second modernity addresses the major crisis in relations – between humanity and the biosphere, between societies, between individuals and social groups, and between technical progress and human progress – which we have inherited because the first modernity sought efficiency through separation and specialisation.

Four interlinked transformations must be brought about. Together, they form the Agenda for the 21st century: 1. a new economic model reconciling the well-being of all with the preservation of the biosphere; 2. a new model of governance; 3. a new balance between individual rights and responsibilities, reshaping the social contract; 4. new forms of dialogue between the world’s societies:

A new economic model that reconciles the well-being of all with the preservation of the biosphere. This is what used to be called the Economy: ‘the rules for managing our common home with a view to ensuring the well-being of all whilst respecting the limits of our environment’. This environment

used to be our domestic space; today, it is the entire biosphere.

A new model of governance, capable of reconciling local autonomy with the management of the common good right up to the global level, revitalising democracy and the way in which public policies are collectively conceived and implemented, and restoring the national level to its rightful place between the regional level and the European level, both of which are set to play an increasingly important role.

A new balance between individual rights and responsibilities, reshaping the social contract, leading France to play a driving role in the adoption, at European and global levels, of a Universal Declaration of Human Responsibilities, just as it did in the past with the Universal Declaration of Human Rights.

New forms of dialogue between the world's societies, without which we will be unable to manage our interdependencies. The illusion that inter-state relations were sufficient to represent dialogue between societies and the pursuit of the common good has been dispelled.

This policy framework does not directly address purchasing power, security, cuts to public spending to stabilise debt, pension reform, immigration or taxation – the issues most frequently raised in political programmes. It operates on a different level and with a different outlook. Too broad? Too ambitious? Does it overestimate the capacity of our society – where millions of households struggle to make ends meet – to envisage the future in this way and to challenge certainties that have been upheld for far too long? I do not believe so. Without necessarily expressing it explicitly, many people know that we have entered a new era. It is up to the political parties – whose vocation and noble purpose this is – to find the words to articulate this and to make the link between long-term changes and the measures to be taken in the short term.

1. A new economic model that reconciles the well-being of all with the preservation of the biosphere.

1.1 The developments and dead ends of the current economic model

Following the collapse of the Soviet Union in the early 1990s, the market economy appeared to have triumphed once and for all. A few years later, the accession of a large number of countries to the World Trade Organisation (WTO) confirmed this. For the WTO, even though its preamble theoretically subordinates free trade to sustainable development, is based on the idea that, everywhere and at all times, the expansion of trade and its unhindered organisation on a global scale constituted the guarantee of shared prosperity. So much so that the fight against global warming, launched around the same time, relied heavily on market-based instruments, such as taxation of fossil fuels and the inter-company emissions trading scheme. *This has not always been the case*: in the aftermath of the war, the foundations were laid in Havana for an International Trade Organisation that prioritised a balance in trade relations between the world's regions; a vision that was abandoned following the United States' refusal to commit to it.

This historic phase of the globalisation of trade, sometimes referred to as 'happy globalisation', is now drawing to a close. Globalisation has had undeniable beneficial effects, widely redistributing across the world the technological capabilities that had once been the monopoly of a few regions, thereby partly bridging the gap between

'developed' and 'emerging' countries. But it has also led to *an increase in inequalities of wealth and power within each society, to the benefit of a small economic elite*. The free movement of capital has not been accompanied by global tax rules, which has encouraged tax competition between countries and the development of tax havens, from which the mobility of capital has

benefited greatly.

For decades, the rise of protectionism following the financial crisis of 1929 was widely seen as having contributed to the outbreak of the Second World War; by contrast, the organisation of a free market was associated with peace. The unification of the single market, following the failure of the European Defence Community in 1954, became the primary vehicle for European integration, leaving a lasting imprint on the rules and operating principles of the EU institutions – even if this meant turning Europe into the soft underbelly of a globally unified market, *preventing it for a long time from adopting a proactive industrial policy.*

The distribution of value created between labour and capital has remained broadly stable for several decades, but social security contributions have accounted for an increasing share of labour's share of value, giving employees the impression that they no longer share fairly in the distribution of the wealth created. The gap between the wages of rank-and-file workers and those of senior executives has widened disproportionately since the 1960s and, through the use of share options, senior executives have aligned their prosperity with that of shareholders rather than with that of other employees. The latter have seen their purchasing power stagnate, all the more so as fixed expenses – particularly those related to housing – have continued to rise, reducing year on year the proportion of income available for discretionary spending, whilst the wealth of the very, very rich has soared. For several decades, this sense of impoverishment, or even social decline, was offset by an abundance of cheap goods imported from China, at the cost of the ill-considered transfer of means of production to Asia: *European society initially benefited from this before discovering it had become a victim, having grown dependent on Asian production in all sectors.*

Economic growth, deemed essential to social peace, has continued at the cost of an increasingly severe impact on the biosphere. Climate change is the most visible manifestation of this, but the erosion of biodiversity, widespread soil pollution, threats to water resources, and the economy's dependence on the extraction of resources—often concentrated in a small number of countries—all combine to reveal that continuing with the current model of development is leading us towards disaster. *The responses provided to date, whilst remaining wholly inadequate, place a far greater burden on the less well-off than on the affluent, giving rise to a sense that social and ecological demands are incompatible.* This is reflected both in social movements – of which the 'Yellow Vests' were a symbol – and in a growing rejection of an approach to environmentalism described as 'punitive'. *Reconciling social and environmental concerns is the primary requirement of the new development model yet to be devised.* It is, in fact, an eternal requirement. Throughout history, the management of societies has had three objectives: the internal cohesion of society, the ability to defend itself against external threats, and the maintenance of a long-term balance between society and its natural environment. We had eventually lost sight of the third objective during the Industrial Revolution by mobilising resources from across the globe – including those, such as fossil fuels, that had been stored over millions of years – creating the illusion that the biosphere had no limits. That chapter is now closed.

To emphasise the urgent need to reduce the impact of human activity on the biosphere, some economists speak of degrowth. The term is not a happy one, sounding more appealing to affluent social groups who have a wide range of lifestyle choices than to the rest of the population, who, on the contrary, struggle to make ends meet. Hence the contrast between 'making ends meet' and 'the end of the world', exploited by those who do not wish to challenge the current economic model. But in reality, what sort of degrowth are we talking about? Certainly not a reduction in the quality of life of the most disadvantaged. What is at stake is a reduction in *the use of non-renewable resources.* Nor is it a reduction in material goods, provided these are the result of recycling resources already used in the past. The whole art of economics lies in ensuring that this reduction is accompanied by an improvement in the well-being of all.

Reconciling social and environmental imperatives cannot be reduced to an increase in the minimum wage or to general measures to raise wages – measures which, within the framework of the current economy, would only serve to reignite inflation, increase the consumption of non-renewable resources and further worsen France’s trade balance. We must therefore begin by developing a more comprehensive understanding of what is meant by ‘social’. It comprises three aspects: social justice, social cohesion and the social contract.

Social justice. This is the ability to share wealth and resources fairly. The market alone cannot achieve this. Today, in every country, we see wealth concentrated in the hands of a few, with the richest able to appropriate an extravagant share of natural resources, particularly because these resources are treated as commodities sold on a market. Moving towards social justice through a fairer sharing of scarce resources is a new approach, one that is not mutually exclusive, as we shall see, with other, more traditional measures.

Social bonds. Everyone knows that once basic needs are met, happiness, well-being and a sense of security do not depend on increased consumption, but on the feeling of being part of a community, on the strength of the bonds of trust forged between its various members, and on the belief that the solidarity this fosters will protect us from loneliness, aggression and life’s hardships. Is it a coincidence that so many people feel their work is meaningless? Is it a coincidence that we are witnessing an epidemic of loneliness? Is it a coincidence that new management methods are so toxic, pitting people against one another, when true economic and social efficiency stems from their cooperation towards a common goal? Is it a coincidence that, when assessing a community’s wealth, no account is taken of all the non-market contributions to shared prosperity – whether it be bringing up children, caring for the elderly or developing voluntary activities for the benefit of the community? Is it a coincidence that everyone retreats into a deadly standoff with their phone screen? Is it a coincidence that people fear that, if attacked, no one will come to their aid? Is it a coincidence that the birth rate is plummeting because the only model offered to expectant mothers and families portrays motherhood as an obstacle to a professional career – the only one valued precisely because it is monetised – at the very moment when so many people are seeking a career change, having realised the futility of their paid work? *Social bonds, which lie at the heart of individual and collective happiness, are conspicuously absent from our policies and our economy; this even applies to our conception of public service, which has replaced a lived sense of solidarity and cooperation with the notion of ‘those entitled’.*

The social contract, at last. Belonging to a community means recognising that we must take responsibility for the impact of our actions on the community as a whole (both human and non-human, that is to say, taking into account the entire biosphere). This sense of responsibility has a name: *responsibility*; The social contract is the recognition that, in return for our individual rights, we have responsibilities to fulfil, *each according to their knowledge and power*. No society is based solely on the sum of rights. For rights isolate, whilst responsibility unites. And this applies, of course, particularly to businesses (the freedom to do business is in return, the duty to fulfil responsibilities towards employees, the environment and the local communities in which they operate – not merely the duty to deliver short-term profitability for shareholders), for financial institutions, and for scientific institutions.

What social and environmental issues have in common is the importance of relationships. Both social well-being and the preservation of the biosphere rest on the richness of relationships and the ability to manage them harmoniously. Yet our current society is characterised by a massive crisis in relationships: a crisis in relationships between people, a crisis in relationships between humanity and the biosphere, a crisis in relations between societies that prevents us from coming to terms with global interdependencies. This widespread crisis is the direct result of Early Modernity, which derived its operational effectiveness from separation, segmentation, and the dichotomies of public versus private, nature versus culture, reason versus emotion, and ‘us’ versus ‘them’. And it is this

crisis that we must address.

The concentration of economic, technical and financial power in the hands of *very large, globally operating corporations*—which are subject to no global law or regulation, either regarding their activities or the redistribution of their profits amongst the regions of the world from which they originate—has reached an unprecedented scale, granting them, thanks to their capacity for initiative and the mobility of capital, power surpassing that of most states. The resulting opportunities for tax optimisation limit the ability of states – and even the European Union – to regulate their activities or to ensure they contribute, through taxation, to the funding of public services. Remedying this would require a global tax system – which is out of reach in the short term – the terms of which must be defined.

The emergence of global production networks in most economic sectors reflects the globalisation of trade. Initially, this development seemed to embody the dream of a peaceful world through interdependence between nations, in line with the idea that nations which trade with one another do not go to war. *Today, we are discovering, to our cost, the dark side of this interdependence and the resulting loss of autonomy and security:* the shortage of face masks during the Covid pandemic; our dependence on US companies for everything relating to the internet, which has become indispensable to the functioning of the economy and the financial sector; the Chinese monopoly on rare earths; the economic crisis triggered by the blockade – even a temporary one – of the Strait of Hormuz; our agricultural system’s dependence on imported fertilisers, which are themselves heavily reliant on fossil fuel-producing countries... not to mention defence; these dependencies reveal the fragility of European prosperity. Under these circumstances, it is difficult for sovereignty to retain any real meaning.

For three centuries, our economy has operated in open cycles, drawing from our own soil and then from across the globe the factors of production necessary for the agricultural and industrial systems – in particular fossil fuels, fertilisers and metals – and discharging waste into the environment downstream of consumption: greenhouse gases, obsolete products and machinery, wastewater laden with organic matter, and persistent pollutants. The circular economy, on the other hand, is based on the organisation of closed cycles, recycling all our waste using the only external input that is guaranteed to us: the sun’s energy. Is it not astonishing that, after three centuries of industrial development, we remain dependent on copper, aluminium and iron extracted from the ground, often on the other side of the world? Awareness of this issue is certainly growing, with the promotion of the circular economy, the study of the life cycles of industrial goods, mandatory recycling targets for industrial products, and the tentative developments in ‘industrial and territorial ecology’ (the organisation of exchanges between industrial activities within a given area, where one industry’s waste serves as another’s raw material). But it remains far from sufficient to achieve truly closed cycles.

The nature of the actual interdependencies within each sector is concealed by *the ‘legal veil’*, which creates the illusion of autonomy for actors possessing their own legal status. The nature of our consumption patterns and their impacts, however, are concealed by *the ‘monetary veil’*—a single currency that makes it impossible to discern the distribution of value between human labour and the use of renewable and non-renewable material resources within each product and service, or the distribution between goods and services sourced from the other side of the world and exchanges taking place at a regional level. Admittedly, the material composition of goods is documented – for example, in France, by ADEME – enabling the average ‘carbon footprint’ of each to be assessed; however, this is no substitute for the actual labelling of this footprint on the products sold, nor, a fortiori, for its concrete reflection at the point of payment.

Advances in production techniques are transforming the very concept of a work tool and a company’s own brand. We are thus seeing economies of scale giving rise to global players in the

production of components, ranging from microprocessors and graphics chips to gearboxes and batteries, leading to a de facto standardisation of these components. Multi-company assembly platforms are also emerging. *This trend can only intensify and move towards standardisation – and thus interoperability – of components*, with competition between companies and brands shifting towards engineering. This heralds a restructuring of production and repair sectors, linking global factories and localised

‘multi-brand’ assembly and repair operations. The fight against planned obsolescence of products to reduce material consumption, alongside the concomitant growth of repair activities, will reinforce this trend.

Countless international studies show, as has been said, that beyond the satisfaction of basic needs, the link between GDP and the well-being or happiness of societies is very tenuous. More detailed studies of individual well-being highlight the importance of consistency between values and behaviour, particularly in terms of the meaning of work. Yet *the current economy is so exclusively geared towards commercial trade that political attention remains focused on changes in GDP*. For their part, both corporate management and the education system prioritise individual performance at the expense of the capacity for cooperation, despite the fact that we know this to be of vital importance. For the same reasons, measures of societal development overlook all non-market activity – what is known as the ‘contributory economy’ – which is essential both to the functioning of society and local communities and to social cohesion. By conflating the autonomy afforded to individuals through market income with the actual contribution of this paid work to society as a whole, the contributory economy is relegated to a sort of inferior status.

Artificial intelligence, which, having only just been introduced, is already permeating all economic activity, will have effects – as yet poorly assessed but undoubtedly decisive – on the functioning of businesses and public authorities, as well as on the labour market. One thing seems certain: it replaces technical specialist roles – the value of which was judged precisely by the knowledge they required – much more easily than relational roles involving care, coordination and cooperation. This will almost certainly result *in a shake-up of the pay scale and profound changes to the labour market*, as foreshadowed by the staff cuts already announced by some companies affecting their engineering teams.

The ageing of the population, a precursor to a decline in the population of European origin, presents society with challenges that are new, if not in their nature then at least in their scale: a health policy less exclusively focused on the treatment of diseases and more on creating the conditions for healthy ageing; the development of social relationships; non-commercial care for dependent elderly people; and immigration.

1.2 A ‘o’ that changes a great deal

Recognising that our current challenges, due to the limits and fragility of the biosphere, resemble those faced by societies before the Industrial Revolution leads us to revive the term ‘Œconomie’ – used until ^{the 18th} century – to describe *the organisation of the system of production and consumption that must be devised to base society’s well-being on renewable flows of resources*: this is the ‘great return to the future of Œconomie’ and its etymology: the rules for managing our household.

The loss of the ‘o’ in ‘Œconomie’ has caused us to forget this etymology, leading us towards an economic science that purports to be autonomous from the other social sciences. What is more, it is a science that has placed the market and its invisible hand at its centre, seemingly dispensing with the need to reflect on how to manage our common home. Only on the surface, of course, for *the organisation of a global market ‘free’ from all constraints requires a strict political framework*, agreements, common currencies for trade, protection of intellectual property, tens of thousands of standards to guarantee product quality, international law, courts and arbitration procedures; in short,

governance. But this governance was masked by the idea that it was subordinate to a central objective: the organisation of a free market. The arrival of Donald Trump, like a bull in a china shop, brandishing his tariffs on the one hand in the name of trade balance whilst, on the other, throwing the progress made over recent decades to preserve the biosphere straight into the bin, served as a wake-up call: yes, *the economy is not an autonomous science; it is a branch of governance*, of the management of societies, dedicated to the organisation of production, trade and consumption.

This wake-up call is decisive for the political world. Does it want to exist or not? Margaret Thatcher, by proclaiming in the 1980s that ‘there was no alternative’ (TINA: there is no alternative), had, in a sense, acknowledged the inability of politicians to think outside the confines of the free market. As John Maynard Keynes put it, ‘politicians are the slaves of economists long dead, whose names they do not even know’. It is indeed time to wake up.

Restoring the ‘o’ to ‘Economy’ is, in a way, sounding the wake-up call, inviting politicians to take back control of society and to devise, in the realms of production, exchange and consumption, *new rules for managing our shared world that meet the needs of our time*, taking into account both the developments and the dead ends we have inherited. It means proclaiming loud and clear that the ‘Economy’ is indeed a branch of governance and that, in devising these new rules, we can draw inspiration from the general principles of governance.

France will be powerless to define and apply these new rules on its own. To lead our fellow citizens to believe otherwise would be deceitful. We may well deplore the fact that, in Europe, certain countries act as tax havens, attracting corporate headquarters and facilitating corporate tax optimisation practices to the detriment of society, or assert the need for a global tax on the very, very rich – who are so quick today to threaten to go into exile if they are taxed – France is not in a position to impose on the rest of the world or on Europe what it considers to be fair. But if, following the 2027 elections, we put forward *a clear and convincing vision*, setting an example of what is already possible at national level, and if we champion these new perspectives with enthusiasm but without arrogance, we can place them on the agenda for European and global discussions. The recognition that the current economic model has reached an impasse is sufficiently widespread for such concrete prospects to be of interest to our partners, first at European level and then at global level, thanks to Europe’s influence in the global economy.

We shall draw on four principles of governance to guide our thinking:

- for every challenge, we must devise a resolution process tailored to the specific nature of that challenge, rather than applying one-size-fits-all solutions;
- one of the key challenges of governance is to foster the emergence of actors capable of implementing its objectives;
- power, whatever its legal basis, must be exercised legitimately;
- the various levels of governance, from the local to the global level, must be coordinated.

1.3 For every challenge, we must devise a solution tailored to the specific nature of that challenge (rather than applying one-size-fits-all solutions)

1.3.1 The fight against climate change and carbon quotas

The ‘market’ presents itself as a Swiss Army knife, with an answer for everything, but it is a knife with a single blade, incapable of adapting to the complexity of the real world. In current economic thinking, there are only two kinds of goods and services: market goods and public goods removed

from the market either by political choice – such as education – or by their very nature. But in reality, goods and services are far more diverse than that, and *the challenge lies, on the one hand, in characterising them and, on the other, in proposing management approaches that are genuinely suited to their characteristics*. They can be grouped into four broad categories: goods and services that are destroyed when shared; those that are divided when shared but are finite in quantity; those which can be divided when shared but whose quantity depends on human creativity and labour; and finally, those – such as knowledge and experience – which multiply when shared. Market mechanisms are truly suited only to the third category. Fossil fuels, however, belong to the second category; it is the resulting greenhouse gas emissions that must be limited if we are to protect the climate.

Having failed to acknowledge this, for the past forty years we have proved incapable of shouldering our responsibilities towards the climate, whether at the French, European or global level. Yet there have been numerous efforts and commitments. The reduction in carbon dioxide emissions within our territory is real, but bears no relation to the requirement, accepted by all countries, to achieve carbon neutrality by 2050. The international commitment made under the Paris Agreement in 2015 – to keep the average rise in temperatures well below two degrees – revealed, from the outset, a striking contradiction, since the sum of national commitments, assuming they were met, would in fact lead to a rise of more than three degrees. Then the European Green Deal, in turn, demonstrated the European Union’s desire to set an example in decarbonising the economy and lifestyles, but its very design – based on a mix of taxation, emissions allowances for large companies and environmental standards – doomed it to failure: no fewer than seventeen legislative packages were needed to make it effective! Yet all these measures shared the common feature of placing the burden of the effort on the shoulders of the least well-off. *The contradiction between social justice and the ecological transition* was evident, and it was not long before we witnessed a backlash – a dismantling of the Green Deal – driven, admittedly, in various countries by the right and the far right, but echoing a more widely shared sense of injustice. *This is therefore the very area where economics must make a difference* and adopt a completely different approach, making the pursuit of social justice and the commitment to meeting our climate responsibilities inseparable.

To achieve this, we must start from a basic premise: fossil fuels have wrongly been treated as an ordinary market commodity and, as such, subject to conventional economic measures – such as increasing the price of supply, mainly through taxation – to bring about a reduction in demand. For once we are required to reduce the volume of GHG emissions each year to protect the climate, fossil fuels become a resource that is divided by being shared (the volume of emissions is shared amongst everyone) but whose quantity must be limited. Their consumption therefore, by its very nature, falls under a *cap-and-trade system*, and we cannot avoid establishing *a rule for sharing* the permitted emissions amongst everyone.

It is, however, necessary to specify exactly which emissions are being referred to. Here again, the fact that international negotiations remain locked into principles inherited from ‘early modernity’ – namely, the absolute sovereignty of states – has led to the assumption that commitments relate to GHG emissions from each national territory, resulting in a distinction being made between emissions from households, businesses and public administrations, and entailing a corresponding number of sector-specific measures. This is to ignore our true responsibility: it concerns the emissions associated with our way of life, *wherever those emissions occur* – what is known as our ‘*ecological footprint*’. And that is not the same thing at all! It is estimated that between a third and a half of this footprint consists of emissions generated outside our own territory. And many measures taken at the French or European level to reduce our domestic emissions have had the effect of making production in our countries more expensive, making us increasingly dependent on imports and, in the process, undermining the European industrial system. The war in the Middle East has served as a wake-up call. To take just one example – agriculture – across all sectors of ‘field crops’ and livestock farming, imported inputs – which are largely dependent on fossil fuels, such as

fertilisers, pesticides and fuel – account for two-thirds of turnover before European subsidies. All it takes is an attack on Qatar's gas fields to plunge the sector into crisis. The system is therefore unsustainable – socially, environmentally and economically.

How might we approach this differently? What measures are truly suited to solving the problem at hand? The Climate Conference held in France in spring 2021, following in-depth discussions, highlighted five criteria: *taking into account the entire ecological footprint* (which makes it essential to trace emissions throughout the entire value chain, regardless of the measures adopted to combat global warming); imposing *an annual obligation to reduce* this footprint by 6 per cent (whereas for the past forty years we have confined ourselves to multi-year 'commitments' which, in practice, are non-binding); upholding *the requirement for social justice* (which implies an equal distribution of emission allowances amongst all); create *a ripple effect involving all stakeholders* (whereas the current approach segments measures between different types of stakeholders); and, finally, adhere to *the principle of least constraint* (to give citizens the greatest freedom of choice rather than the current reliance on regulation). It is easy to see that the European Green Deal and the French strategy fail to meet any of these five criteria.

The policy to be promoted – first at the French level and then, through rapid spillover, at the European level – follows from this: *equal emission quotas for all, reduced by 6 per cent per year (in the case of France) to meet our international commitments*. Under this approach, based on the ecological footprint resulting from our consumption, neither public nor private companies, nor government bodies, are allocated any emission quotas, except at the outset: they pay for carbon units to organise their production processes and must incorporate these units into their selling prices or into taxes (in the case of government bodies). The system is virtuous in every respect: with the annual reduction in quotas, consumers favour companies that have decarbonised their production processes most rapidly; voters are becoming increasingly demanding regarding the 'carbon content' of public policies and services (it is currently estimated that the carbon footprint of public administrations and services alone will account for 80 per cent of the total emissions subject to quotas in 2050!); importing companies no longer benefit unduly from the competitiveness gap caused by more lenient regulations, and a trend towards the relocation of production activities is taking hold, creating jobs and boosting purchasing power; the circular economy and recycling are becoming the norm; intangible consumption, often linked to local cooperation, is replacing material consumption, thereby strengthening social cohesion. *Every good and service is paid for in two 'currencies'*, both of which can be managed via the same digital platform: the euro on the one hand, and the carbon currency on the other: we are moving away from the illusion of a 'single currency' to pay for what needs to be developed – human creativity, labour, social cohesion...- and, conversely, what we need to conserve – the emissions that destroy the biosphere – which leads us to say that our current economy is like a vehicle whose accelerator and brake are a single pedal, which is the surest way to crash into a wall!

In accordance with the fifth criterion, those who wish to – or need to – live particularly frugally have the option of selling part of their quota on a market organised successively at regional, national and European Union levels. Very quickly, the 'carbon point' will become more expensive as the total quantity decreases by 6 per cent per year, and even for the very wealthy, frugality will no longer be an option but an obligation. Why organise a carbon credit market at these three levels? Because moderation is not merely a personal choice; *it is also the result of collective policies* designed and implemented first at the local level – think of transport planning, the development of renewable energy, neighbourhood design, the development of local services, local food systems, and local strategies devised in consultation with residents – and then at the national level; it is therefore only fair that local authorities and national governments should reap some of the benefits of energy efficiency.

1.3.2 Land and water: the collective learning process of managing complexity

The fight against climate change is a particularly important example, but it is just one illustration of the potential for renewal that the Economy represents. Soil and water are two further examples of these resources which are divided by being shared and are finite in quantity. Both call for new management approaches, generally at the regional level. *These approaches must be devised collectively, and the gradual learning process involved enriches society's intangible capital.* I shall confine myself here to a few avenues for exploration.

The case of land is particularly instructive because the sharing of this scarce resource, its allocation to different uses, the maintenance of its fertility, its contribution to ecosystem management – particularly biodiversity – and the role of land taxation in the distribution of contributions to public services have always been at the heart of how societies are managed. The paradox of our societies is that they are highly advanced technically but rather primitive in their approach to solving problems collectively. Traditional African law, which governed the multiple uses of land and the diversity of its right-holders, or the traditional management of irrigation, based on the rules of collective governance of a ‘commons’, are, from a social perspective, far more subtle than our own systems.

Is it reasonable to base local taxation on the value of buildings, thereby conflating the value of urban land with that of the structures erected on it, when the former results from collective investment whilst the latter stems from owners' investments? Is it reasonable that the right of pre-emption over agricultural land, by the SAFERs, should continue to be in the hands of the farming profession in the name of a modernisation policy that made perfect sense in the 1960s but which today perpetuates an obsolete agricultural and industrial model; and should we not instead devise a right of pre-emption exercised by local authorities that promotes a different model of agriculture and of relations between the urban and rural worlds? Is it reasonable that agricultural leases, with a few exceptions, cannot impose a particular method of farming? Is it reasonable to think that land-use management can be regulated by a general law such as the ZAN (Zero Net Land Take), which results in urban gardens – genuine pockets of biodiversity within cities – being treated as land that is already urbanised and therefore doomed to disappear, whilst land used for industrial agriculture—deprived of their fertility and devoid of biodiversity—as ‘natural’ land to be preserved? Is it reasonable to give up on maintaining soil fertility using the organic waste from our towns – which we dispose of at great expense or which pollutes our waterways – or to return to the philosophy of crop rotation to restore fertility, all so that we can import energy-intensive synthetic fertilisers – which reduce our food sovereignty to a mere fairy tale – and cadmium-rich phosphate fertilisers? Is it reasonable to pollute our groundwater for decades or even centuries, forcing consumers to bear the cost of its treatment? Is it reasonable to send in the police to crack down on those who oppose the creation of mega-reservoirs and to label them ‘eco-terrorists’ before even considering which crops are compatible with local water resources? Is it reasonable to talk about the multifunctionality of farmers' land and environmental services whilst sticking to slogans that lack concrete implementation? Is it reasonable to stick with a Common Agricultural Policy at European level that is incapable of driving the transformation of the agricultural sector to meet new challenges?

None of these issues can be resolved with the stroke of a pen, at either national or European level. Multi-stakeholder dialogue processes must be established at local level to ensure that all relevant interests are taken into account, and matters falling within the remit of local authorities – whether land taxation or the Common Agricultural Policy – must then be escalated to national and European levels.

Water raises quite similar issues. Europe has been advocating integrated water cycle management for quite some time, but it is struggling to make this a reality. Everyone talks about the risks that climate change poses to our water resources, yet we continue to waste them by drawing

indiscriminately from deep aquifers, which are themselves polluted. Here too, we have more to learn – socially and politically – from water management before the Industrial Revolution than from its more recent management. Collective water management forms the basis of most ancient civilisations, and much of the traditional knowledge regarding the sharing of this resource and the resolution of conflicts deserves to be revisited for the regional management of water resources. Much progress has been made in recent decades, for example in rainwater harvesting in urban areas, and this deserves to be rolled out more widely. In this field too, closing natural cycles is becoming imperative, rather than the open cycles currently in place, which involve discharging wastewater as far away from towns as possible and using sophisticated techniques to make water recovered from the ground, the sea and rivers usable. The war in the Middle East has, moreover, just reminded us that certain countries' dependence on seawater desalination – a process which, incidentally, consumes vast amounts of fossil fuels – constitutes a strategic vulnerability on a par with oil or gas facilities. Since the 1972 Water Act, the River Basin Authorities have served as a forum for learning about collective water management at the level of major catchment areas, and we can benefit from this learning provided that the experiences of each authority are properly shared; however, the 'polluter pays' on which they are based remains within the realm of traditional economics, and other mechanisms will need to be explored, including rules capping consumption, at the regional level.

The case of water is also very interesting because it raises the question of inter-regional relations: water that falls on the ground evaporates and falls again further away if that ground has good vegetation cover. This is known as 'green water', as opposed to 'blue water' supplied by the evaporation of the seas. Removing a region's vegetation cover may well deprive those further from the sea of water. Inter-territorial agreements therefore need to be devised. And, of course, the sharing of water resources between countries dependent on the same catchment area – such as the Nile, the Indus, the Mekong and many others – lies at the heart of geostrategic and equity issues, raising fears of water wars as the resource becomes increasingly scarce. With the Rhine and the Danube, the EU has gained experience in this area of management. By its very nature, water provides a learning ground for multi-level governance, a topic we shall return to

1.3.3 Sharing knowledge and experience: the key to prosperity

Knowledge and experience are assets that multiply when shared. As such, their scarcity is always artificial, stemming either from an inability to organise them for sharing or from a desire to make access to them costly or even impossible. The history of intellectual property – encompassing copyright, trademark protection and industrial patents – dates back only to the eighteenth century and came into its own with the rise of industrial capitalism. Whilst the need to safeguard funding for innovation by restricting or monetising access to its results has a historical justification, it also has perverse effects by creating rents, limited by the duration after which intellectual, artistic and industrial inventions fall into the public domain.

For over thirty years, patent legislation – a legacy of the industrial age – has been challenged by new fields of innovation, particularly biology and information technology, paving the way for new social struggles of great importance for the future: opposition to the patenting of life forms and, even more so, to the patenting by companies of traditional knowledge regarding the use of plants; the struggle in favour of the free sharing of farmers' seeds and against the monopoly of seed companies; the struggle against genetically modified organisms and their patenting, which, in the case of a company such as Monsanto, has gone so far as to deprive farmers of their basic rights; and the struggle for free software. Whilst the recognition of intellectual property and the rights associated with it dates back to the first wave of modernity, *the redefinition of the scope and limits of these rights will be a political issue of paramount importance in the second wave of modernity*. Similarly, the concept of 'trade secrets', used to justify a lack of transparency in economic practices, is increasingly coming up against demands for accountability. These are all areas in

which the EU, thanks to its ‘market power’, has the potential to influence the global development of intellectual property law.

The internet and its original promise to make the world’s accumulated knowledge accessible to all was linked to the idea that prosperity in the second modernity would arise from the essentially unlimited development of goods that multiply as they are shared. The Wikipedia Foundation is the legacy of this promise, the internet having subsequently strayed from its original path under the impetus of the new American tech giants, who have managed to derive monetary value from the use of their search engines, and subsequently with the development of social media, which has allowed the creation of insular bubbles of interaction between people who reinforce each other’s convictions. But the advent of artificial intelligence is reshuffling the deck. It is already challenging intellectual and artistic property. The way in which search results or AI-generated ‘original’ works are siphoning off intellectual output is, right before our eyes, upending the traditional framework for remunerating such property. The age-old question of plagiarism or counterfeiting is being reframed in new terms, and AI-assisted research is opening up new possibilities, such as the creation of new chemical molecules. Creators have always drawn inspiration from one another (which has rendered impossible the idea, sometimes put forward, of ‘patenting ideas’). With AI, we are entering a new era.

In the pursuit of shared prosperity, *one of the most promising avenues is the application of AI to well-defined databases* (known as ‘context-enriched generation’, RAG), where the algorithms created by the new AI giants are unknown to users – whether it be the dataset used to train the software or the rules governing the use of that data – leaving them open to all manner of manipulation, as illustrated by the algorithm implemented by Elon Musk, which opens up new avenues for propaganda. This highlights *the political importance of developing knowledge bases and experiences through cooperation*, thereby strengthening both social bonds and the capacity of act. The political and institutional implications of this are immediate: any organisation or network receiving public support must be obliged to pool the experience it has acquired and to participate in a network for the exchange of experiences; and large, centralised state operators must give way to network-based engineering.

The implications for spatial planning will be considerable over the next twenty years. Already, since the Covid pandemic, remote working has surged, and whilst it is difficult to gauge the consequences of such a recent phenomenon, it is likely to influence the organisation of territories in the long term. But the emergence of AI will have a far more profound impact, calling for proactive policies. The ‘metropolisation’ we have witnessed over the past few decades has been driven by the diversification of intellectual professions in the personal and business services sectors; only a large labour market allows dual-income couples to find employment opportunities for both partners within the same region. However, it is the technical aspects of these jobs that are most easily replaceable by AI, thereby restoring the full importance of the interpersonal dimension.

It is undoubtedly the healthcare sector which, given its growing importance as the population ages, will have the greatest impact on this transformation of the region. It is fairly easy to envisage, in medium-sized and small towns – where medical provision has tended to decline over the decades – a reversal of this trend, enabling basic medical care to focus on patient-centred care and the use of AI-enhanced diagnostics, practised even within the framework of a contributory, non-market economy. A proactive policy to develop goods that multiply through sharing can thus reorient the organisation of territories towards smaller entities that are easier to make environmentally sustainable and people-friendly than major cities

1.3.4 The necessary plurality of currencies

Can we imagine a nutritionist who would claim to reduce the issue of nutrition to a mere calorie

count, or a car manufacturer who had produced vehicles with a single pedal serving as both accelerator and brake? No, of course not. And yet this is precisely what we are doing today with money. It claims to make the euro a universal standard. Historians have long shown that the creation of money did not result from a desire to overcome the limitations of barter, but has always been a political act. And today, the bulk of money creation stems from bank credit, thereby largely merging finance and money. This allows us to think boldly about what we expect from currencies in the economy. Currencies, not a single currency; for to ensure ‘the well-being of all whilst respecting the limits of the biosphere’, different currencies must coexist.

The first requirement, as we have seen with regard to carbon allowances, is to clearly *distinguish within the value of a good between that which corresponds to human activity – which must be developed and which forms the basis of social cohesion – and that which corresponds to the use of fossil fuels*, the use of which, on the contrary, must be restricted. Otherwise, saving is like driving a vehicle where the brake and accelerator are one and the same pedal. The creation of carbon quotas distributed annually amounts to creating a digital carbon currency, recorded on a bank card that is debited with every purchase and credited with every sale.

The creation of the euro, for its part, was a political act symbolising the unification of the European market and the necessary coordination of Member States’ fiscal and economic policies. It is a significant achievement from which there can be no turning back. But does this market unification – for goods and services that can be purchased throughout the Union – preclude the development of trade at a regional level, perhaps for goods and services meeting different standards? Historically, at the end of the Middle Ages, it was indeed the sovereign’s desire to assert his authority, rather than a concern to facilitate trade, that led the kings of France to abolish regional and local currencies minted by lords or even abbeys. In the absence of such local solutions, trade within a given territory – which is so essential to social cohesion – is artificially hindered, resulting in the coexistence, within the same territory, of idle labour and unmet needs. The association ‘Zero Long-Term Unemployment in France’ and its counterparts in various European countries advocate the idea of a ‘right to employment’, and the jobs identified are overwhelmingly linked to personal care or the maintenance of the ecosystem. Numerous local currency initiatives – also known as ‘complementary currencies’ to emphasise that they are obviously not intended to supplant the euro – already exist to stimulate local trade, but these often take the form of small-scale, grassroots, activist schemes: well-meaning but out of step with the current challenges facing society. The value of the concept of the right to work lies in highlighting just how essential the recognition of one’s usefulness is to dignity. With regional currencies utilising the same digital platforms as the euro and the carbon currency, we can both stimulate the local economy and strengthen social cohesion.

1.4 One of the challenges of governance is to foster the emergence of actors capable of implementing its objectives

1.4.1 Key actors from the first modernity to those of the second modernity

The economy of the first modernity gave rise to two pivotal actors: the nation state and the corporation. Or, more precisely, the large, or even very large, corporation. It is these two actors that have shaped the organisation of production and the legal framework of the market economy. Each has its own legal identity – voters for the state, shareholders for the corporation – and, in theory, each has its own sphere of influence, even though the movement of senior executives between these two actors helps to create a form of elite and a culture shared by both. Each has its own self-contained system of regulation: elections for the state, and shareholder votes for large enterprises. They have, at least in the case of France, tended to marginalise or subjugate other actors: local authorities in the case of the state, and the network of smaller enterprises in the case of large enterprises.

They seem set to remain in place for ever. The rapid turnover of the large corporations dominating the economic and political landscape – driven in particular by the emergence of new products and technologies – ensures the vitality and sustainability of the system. None of the ten companies with the highest market capitalisation in 2026 existed fifty years ago, and one has to look as far down as sixteenth place to find Exxon Mobil. The great industrial fiefdoms of a century ago – in steel, railways and oil – have faded into the background behind the new economy, yet the dominance of the economic, and indeed political, system by mega-corporations remains unchanged.

Do this stability and vitality mean that these two actors – the state and big business – will also be the pivotal players in the economy? Nothing could be less certain. Are they truly capable of managing the relationships of all kinds that lie at the heart of the second modernity? Nothing could be less certain. States are struggling to manage companies' ecological footprints and to foster social cohesion. Companies maintain the legal veil that conceals the true power dynamics in their relationships with suppliers, subcontractors and subsidiaries. We must therefore focus on *bringing to the fore the pivotal actors of the second modernity – those who will be able to manage relationships of all kinds*: relationships between humanity and the biosphere, on which our long-term survival depends; and relationships between individuals and social groups, on which our social cohesion depends. These terms of reference point to two pivotal actors of the twenty-first century that political action must help to bring to the fore and structure: the territory; the sector. Unlike the state and large corporations, these are not legal entities but 'collective actors' which, therefore, do not exist in their own right but are the result of a social construct.

1.4.2 The emergence of the territory as a pivotal actor

It may seem paradoxical to promote 'territories' – that is, local communities – as central actors in the economy, given that, historically, these local levels of social and economic governance have lost influence over the centuries to the nation-state and large corporations. The reason is simple and holds true throughout the world: since Second Modernity is based on the development and management of relationships of all kinds – between people, between public and private actors, and between humanity and the biosphere – *it must rely on actors and institutions capable of organising all these relationships*. From this perspective, the local area has an incredible comparative advantage. All the issues that seem philosophical at national level – the relationship between society and the environment, short supply chains, the care economy, society's ecological footprint, the collective promotion of a frugal lifestyle, the rebuilding of social ties, the promotion of the non-market economy, the circular economy, security, the promotion of societies' intangible capital, a preventive and holistic approach to health, land management and the transformation of the agro-industrial system... – are, at the level of a local community, very concrete issues that can be the subject of collective citizen reflection because they are immediately tangible. Whether we are talking about the ecological footprint, soil, water, the contributory economy, the management of knowledge and experience, or the development of social ties, we always come back to the local area as the primary and decisive level for managing relationships. And the creation of fully-fledged local currencies is a first step towards enhancing exchanges within a single territory.

But we must go much further, equipping ourselves with the means to describe, measure and characterise the metabolism of a territory in the same way as that of a living being. The difficulty is that, unlike a living being, a territory has no membrane to filter exchanges between the organism and the outside world, no borders, no customs service to analyse what comes in and what goes out, and no statistical office to describe internal exchanges. At best, a few regions have drawn up 'material balance sheets', which focus on exchanges by weight, water and building materials, and possibly energy. The media routinely produce rankings of 'the best cities to live in', but these remain superficial. We know that most regions, outside the major cities, benefit from inflows of money, particularly funding for public services, pensions and social security payments; yet we lack analyses to determine whether these inflows genuinely stimulate the local economy by being

transformed into numerous internal exchanges, or whether the money leaves the region immediately, converted into goods and services purchased from outside. There is even less understanding of energy exchanges with the outside world and the fate of the energy entering a region. The concept of ‘exergy’—which measures the degree to which incoming energy is utilised, ranging from high-value uses to the utilisation of lukewarm water—is little known and rarely used. Recent studies carried out as part of the drive to ‘reindustrialise France’ have confirmed that industrial dynamism owes more to the capacity for local cooperation amongst stakeholders than to material assets such as access to raw materials or major infrastructure. The mobilisation of human resources depends more on effective local coordination between the education system and local economic stakeholders than on a general level of education that is disconnected from local realities. Driving the transition towards sustainable regions relies above all on the ability of the various public and private stakeholders to cooperate and share a common strategic vision. An entrepreneurial spirit may certainly reflect individual capabilities, but it is also passed on through imitation, and putting it into practice requires finding the necessary financial and technical support locally. The industrial districts of northern Italy have often served as a model for what a dynamic regional economic fabric can be, but France’s centralised system has made replicating them a risky proposition. The paucity of French political thought on regional matters reached its peak with the 2014 regional reform: one need only look across the Jura to the Swiss cantons to understand that the strength of a has nothing to do with the size of the territory. The relationships between urban and rural areas, intergenerational ties, the integration of marginalised people, the scale of the tax-contributing economy, the integration of foreign immigrants, the vitality of reciprocal exchanges of knowledge, the strength of a shared narrative providing a common vision of the future, the habit of cooperation and the mutual trust that results from it form the fabric of social cohesion. Very often, these are the result of long-standing traditions which, taken together, constitute the territory’s *intangible capital* – even more valuable than its natural or physical capital.

In the coming years, we must establish regional economic agencies across all regions, co-funded by the State and local authorities, modelled somewhat on urban planning agencies, working as a network and rigorously pooling their work – firstly to refine methods for analysing regional dynamics, and secondly to stimulate the transition towards sustainable regions. There will be no vibrant and dynamic French society, nor any joint pursuit of a just society in harmony with its environment, unless we begin to build it from the regions upwards.

1.4.3 International relations based on sustainable supply chains

Crises always provide an opportunity to uncover the reality of these global production networks, organised by sector, which most often involve thousands of actors from around the world, orchestrated by a few dozen dominant firms. The fall, over the course of a few decades, in the costs of transport and the flow of information created, in the final phase of economic globalisation – before the vulnerabilities of these interdependencies came to light – what some called a ‘flat world’ where, for any given product, whether simple or sophisticated, contracting companies could pit economic actors from across the globe against one another in competition. The financial crisis of 2007–2008 had highlighted the domino effects that could result. The Rana Plaza scandal had brought to light the dependence of ‘branded’ clothing on underpaid workers in Bangladesh. The Covid pandemic had revealed both the speed at which a pandemic can spread in this world without economic borders and our dependence on China for goods as basic as surgical masks. The recent crisis in the Middle East, like the war in Ukraine, has shown that the supposed sovereignty of our agricultural sector masks a profound dependence on gas resources and fertiliser producers in countries at war.

It is also through supply chains that we can measure the impact of our way of life on the biosphere – not only, of course, in terms of our carbon footprint, but also, more broadly, in terms of the

impact on the use of material resources, whether recycled or not, and its social impact. Within these supply chains, relationships between stakeholders have undergone a profound transformation, with contractual relationships gradually replacing stable relationships within a single legal framework. And this replacement of stable relationships with instant transactions sometimes extends to the relationships between individual companies and their staff, where employees are replaced by self-employed workers whose independence is imposed upon them rather than chosen.

It is clear that these sectors will be a major political issue for the coming decades. Their management, within the European Union, falls within the remit of the Union and not of individual Member States. In any case, no single Member State would have the market power to impose its views on its own. Nevertheless, the vision championed by France within the Union will have far-reaching implications. This is not a new issue, and many European measures already concern these sectors – whether in relation to material recycling rates, the sovereignty of the defence industry or the taxation of digital giants – but so far the issues have been addressed on a piecemeal basis. The challenge now is to establish a comprehensive framework.

What constitutes a sustainable sector? It must be socially equitable, environmentally sustainable, legally responsible, commercially balanced and politically resilient.

Socially equitable. The value created by the sector is the result of contributions from countless stakeholders. How is this value redistributed amongst them all? This question comprises two parts: how is it distributed amongst legally distinct entities? And how is it distributed amongst staff within each legal entity? Asset managers tend to praise companies that know how to create value. A closer analysis suggests that, very often, what is being praised is a company's ability to *capture* a large share of the value created by everyone. Yet all production activities have their downside, with impacts on the environment or on workers' health. The redistribution of value amongst stakeholders, as well as the allocation of the tax base, must take into account both the value created and the negative impacts that need to be offset. Furthermore, within each legal entity, the sharing of value amongst owner-shareholders, senior executives and ordinary employees must be equitable.

Environmentally sustainable. This entails minimising the use of fossil fuels as much as possible, optimising industrial processes, encouraging recycling in all its forms, integrating production units into industrial clusters that can benefit from inter-company exchanges of materials and energy, conducting life-cycle assessments of products, ensuring the reparability of finished products, and managing end-of-life waste.

Legally accountable. We have already mentioned the 'legal veil' that conceals the relationships of dependence between the various stakeholders and the contracting companies, in the name of each stakeholder's legal autonomy. This is what enables all manner of abuses, by shifting the burden of the 'dirty work'—both socially and environmentally—onto the dominated stakeholders. France has taken a pioneering step within the EU by adopting a law on the duty of care, which requires the lifting of the legal veil, taking into account relationships of subordination and, ultimately, holding dominant actors partly accountable for the actions of their subordinated partners. The law has become a European directive, fiercely contested by industrial lobbies who see it as yet another obstacle to the competitiveness of European industry. Yet the opposite is needed: a tightening of these liability rules (I shall return to this in relation to values) and their global application by making them a condition of trade with Europe.

Commercially balanced. It is clear that Europe is not going to start producing cocoa or palm oil, and it would be illusory – and contrary to the very idea of international trade, which presupposes that each geographical area can capitalise on its comparative advantages – for every sector to be self-sufficient on a regional scale. However, the more a comparative advantage is technological and organisational in nature – based on the skills of the workforce and the collective efficiency of production – the greater the risk of a structural imbalance in the trade balance between regions of

the world. The Chinese government's neo-mercantilist policy of accumulating trade surpluses to further a strategy of global influence has permanently undermined the idea of an automatic rebalancing of trade between regions of the world. The risk that those with the lowest social and environmental standards will come out on top is perceived in Europe as a means of driving standards down. In the heated debate surrounding the Transatlantic Trade and Investment Partnership (TTIP) between the United States and Europe, the issue of harmonising standards was central, given that customs duties were already generally low between the two regions and the expected gains from free trade were modest compared to the stakes regarding sovereignty over lifestyles and environmental protection. Even before Donald Trump's arrival – like a bull in a china shop – in 2015 signalled a complete U-turn by the US with his praise of tariffs, the adverse effects of unchecked economic globalisation – particularly in terms of internal social cohesion within each region or country, pitting the winners and losers of this globalisation, whilst national redistribution mechanisms proved insufficient to compensate for these disparities, were already pointing towards a different approach: that of achieving a balance between the world's regions through commercially balanced trade flows. Recently, within the European Union, the risk of European industry disappearing under the onslaught of a particularly high-performing Chinese industry, backed by the Chinese government's neo-mercantilism, has reinforced this trend. A sector-by-sector analysis of these imbalances is gradually becoming crucial.

Politically resilient. This issue was long overshadowed by the seemingly unstoppable rise of international trade. We had come to forget that, historically, the development of international trade has by no means been linear, and that the First World War brought an end to – and reversed – an initial cycle of trade internationalisation. Today, it is the vulnerability caused by dependence on resources and technologies controlled by foreign powers, against a backdrop of a global geopolitical context that has become threatening, which is forcing us to re-examine each sector in terms of its vulnerabilities in the event of a crisis or even a simple dispute. The examples are well known and have made the headlines in recent years: rare earths, satellite networks, armaments, fertilisers, oil and gas, photovoltaic panels, and so on. This new situation does not necessarily mean that Europe must be self-sufficient in every sector, but rather that it must ensure it retains the technological capabilities and know-how to become self-sufficient again within a reasonable timeframe should supplies be cut off from the other side of the world.

Taken separately, these five characteristics expected of sectors are not particularly groundbreaking, but taken together they form a genuine political project, the first step of which is to define the tools for measuring each of them – tools that are currently scattered amongst political authorities, economic actors and civil society.

The stakeholder-led approach constitutes a political project; *a sustainable society requires the convergence of sustainable regions and sustainable sectors.*

1.5 Power, whatever its legal basis, must be exercised legitimately

Economic power lies in the hands of a company's co-owners – the shareholders in the case of public limited companies. This is indeed a legal form of power. Does the manner in which it is exercised render this power legitimate in the eyes of society? This question of legitimacy is already a blind spot when posed in relation to political power in democracies, where the concepts of the legal exercise and the legitimate exercise of power are often conflated. This is all the more true when the question is raised in relation to businesses. The position of Milton Friedman and the Chicago School – who were simply taking the classical economic model to its ultimate conclusion – was that businesses had but a single purpose: to maximise profits for their shareholders, and that this was the best way for them to contribute to the common good. This idea is also found in the world of finance, including within institutions such as pension funds, whose purpose – to provide a

retirement for their contributors in a world that is itself liveable – should compel them to be concerned about the long term and the future of the planet: Donald Trump, who seems to pop up at every turn to point us down the wrong path, has gone so far as to threaten legal action against pension funds that do not make their stock market valuation the be-all and end-all of their managers' actions. In all these cases, the question of the legitimacy of economic leaders, given the way they exercise power, is null and void. Move along, there's nothing to see here.

The growing concentration of power and wealth in France and around the world within very large corporations – which are largely on a par with major states and do not hesitate to engage in lobbying backed by considerable resources to persuade political authorities to favour their interests, to infiltrate expert committees responsible for authorising products to be placed on the market, and to take control of the media to influence public opinion, precludes such naivety. Economic leaders must indeed demonstrate that they are making proper use of the power they hold, not only towards their constituents but towards society as a whole. The legitimacy derived from the manner in which one exercises the power one holds is a major political issue.

Whilst the criteria for the legitimacy of the exercise of political power are fairly well defined, those for the legitimacy of the exercise of economic power have yet to be established. We are not starting from scratch. The social and solidarity economy is nearly two centuries old and, including voluntary organisations, accounts for 14 per cent of private-sector employment in France. In theory, its statutes guarantee that power is exercised in the service of the common good. The 2019 PACTE Act saw its reputation tarnished because it paved the way for the privatisation of Aéroports de Paris and La Française des Jeux, but we are interested in it here from another angle: that of *the establishment of 'mission-driven enterprises'*, an innovative effort to recognise that the free exercise of economic activity does not ipso facto imply its usefulness to society, thereby initiating a societal debate on the legitimacy of economic power.

1.5.1 Putting businesses, whatever their status, at the service of societal challenges

The concept of a 'mission-driven company', introduced by the PACTE Act, is too recent to assess its impact on the business world, or to determine whether it will appeal only to companies whose very purpose is societal, such as social welfare organisations, or whose articles of association require them to serve their members, such as mutual societies, or whether others have adopted the status of a 'mission-driven enterprise' merely as a marketing ploy with no real impact on management practices or on products and services; however, supporting this legal innovation and ensuring that it leads to a change in practices constitutes a policy objective in its own right. The fact that the way in which the goals for the common good set out in the mission are fulfilled must be verified by an independent body constitutes, in itself, an intellectual revolution, giving public status to the question of the legitimacy of the exercise of economic power.

By 2026, the community of mission-driven companies will number more than 4,000 members, collectively representing one million employees, and some of the companies being set up are adopting a mission from the outset. Among these are a number of guiding principles that fit well with the perspective of the Economy: 'companies committed to the ecological transition'; 'companies that seek to address the major challenges of our time and transform them into drivers of progress'. Unsurprisingly, the focus is on corporate governance issues and the importance of involving stakeholders (customers, staff, local communities, economic partners). The aim of reconciling positive social impact with economic profitability is also evident among financial institutions, which wish to demonstrate that investments in the ecological transition can be just as profitable as those guided solely by the pursuit of profit. As with the duty of care, the French initiative is finding some resonance at European level, and this is an approach worth supporting.

This movement, driven by employers, has its counterpart among employees. Numerous surveys highlight the widespread unease linked to a loss of meaning in work, and we are seeing – even if it

is not the majority view – its concrete manifestation: a disengagement from one’s profession, or even a career change, particularly from intellectual professions to manual trades where the immediate usefulness is far more apparent. The way in which an active minority of students at the most prestigious higher education institutions, year after year, challenge the content of their courses – where the old economy and individual competitiveness continue to dominate – protest against the infiltration of large corporations into their very institutions, or express their refusal to work for companies that are ravaging the planet stems from this same shift. Corporate governance and the impact of a company’s actions are becoming political issues, and that is a good thing.

1.5.2 Counting what matters: triple accounting

Accounting and accounting standards play a decisive role in economic governance, defining what matters and what must be accounted for, and by contrast leaving in the shadows what does not matter, what is not accounted for. This is why accounting rules are an eminently political matter, and why the power struggles to impose one’s own accounting standards are so fierce. Currently, the international standard is the US-inspired IFRS (International Financial Reporting Standards). It implicitly outlines what constitutes a good manager and thus carries an implicit definition of what constitutes the legitimate exercise of economic power. Today, these standards reflect a requirement: that of preserving the financial capital invested by shareholders. This appears on the liabilities side of the balance sheet, which highlights the need to ensure its maintenance and renewal. From an economic perspective, *this financial accounting must be supplemented by two further sets of accounts, reflecting the equally pressing need to maintain human capital and natural capital and to ensure their renewal.* Companies protest against the burden of the non-financial reporting imposed on them, but organising this triple accounting system in this way will become a cornerstone of the legitimacy of the exercise of economic power.

1.5.3 Establishing rules governing the distribution of remuneration, fostering solidarity among different categories of staff

A fair distribution of value amongst the various categories of staff is essential if the purchasing power of those on the lowest incomes is to increase without further worsening the trade balance or exacerbating France’s debt. In this area, there is no simple solution that can be imposed on all companies with genuine legal force. Two measures could nevertheless become, if not standards, then at least collective benchmarks on which there is a consensus: capping executive pay; and regulating share options.

Capping executive pay: most large companies have salaried executives whose income generally consists of a salary, performance-related bonuses and share options. This remuneration naturally varies considerably depending on the size of the company. In the largest companies, it is set by the Board of Directors, with a clear tendency towards in-group bias and a form of ‘emulation’ from one country to another, given the fairly international nature of the ‘market’ for executives. Between 1970 and 2026, the average remuneration of these executives, initially assessed as ten times the minimum wage, is now assessed as one hundred times the minimum wage. This qualitative leap raises questions about the legitimacy of the exercise of economic power. How can one justify an executive’s salary reaching, in a few extreme cases, more than a thousand times the minimum wage? All the more so as these same executives very often have golden parachutes, which makes it impossible to believe that their remuneration is justified by the risks they take. Setting a maximum remuneration of one hundred times the minimum wage – a multiple that is already extravagant – would be a reasonable measure whilst avoiding the accusation of depriving French companies of their most talented executives.

Regulating share options. Remunerating senior executives through share options or bonus shares has the effect of placing these executives ‘in the shareholders’ camp’ rather than

‘on the employees’ side’. It can cast doubt on the overall solidarity of the workforce and on senior executives’ commitment to retaining the company’s human capital. This practice should be strictly limited or, conversely, extended to all employees in companies where the majority so decides.

2. A new model of governance

This is, following the ‘great return to the economy’, the second major transformation to be undertaken. The very term ‘governance’ has struggled to gain acceptance in French political and intellectual circles. This term, although of French origin and belonging to the same family as ‘gouverner’ (to govern) and ‘gouvernail’ (rudder), returned to us at the end of the twentieth century via the Anglo-Saxon ‘governance’, in the wake of the liberal revolution which held up the management of private companies as the model of efficiency and pushed for a reduction in the role of the state. The ‘good governance’ formulas, concocted by conservative American foundations, were disseminated worldwide by international institutions such as the IMF and the World Bank, which rightly gave rise to suspicion regarding the concept itself. And yet it is politically very important not to leave the term ‘governance’ exclusively in the hands of this very outdated school of thought (the ‘good governance’ formulas have long since fizzled out, if only because of China’s tremendous economic boom, which served as a living refutation of them). Indeed, in the changing times we are living through, we *need a generic term to discuss the management of society*, where our usual terms ‘state’ and ‘politics’ confine us to outdated categories. We must therefore take a step back, recognise that our usual concepts are themselves outdated, and examine what remains constant in the management of societies so that we may draw lessons from it. And we *now need to devise a new form of governance, capable of reconciling local autonomy with the management of the common good right up to the global level, renewing democracy and the way we collectively conceive and implement public policies, and restoring the national level to its rightful place between the local and European levels*, both of which are set to play an increasing role. I shall focus here on three major reforms: decentralisation; the transition from representative democracy to permanent democracy; and the reform of the European Union.

2.1 Decentralisation

France is one of the most centralised countries in Europe. There has been no shortage of decentralisation laws since the first ones in 1982–1983, which, in many respects, amounted to a deceptive form of decentralisation, decentralising power to levels that no longer corresponded to the reality of interdependencies within society, keeping the bulk of tax revenue in the hands of the State, completely failing to address the necessary cooperation between levels of governance, and leaving it to the State to resolve all disputes between local authorities. The succession of reforms undertaken since then to correct these inherent flaws in decentralisation has only served to further complicate the already overburdened administrative and political landscape, resulting in a system that is incomprehensible to citizens and profoundly ineffective, with a State that has lost its territorial competence and continues to manage from afar a society it knows and understands less and less. The fact that, for more than one five-year term, we have been promised a new decisive phase of decentralisation without any action ever being taken – the latest instance being Sébastien Lecornu’s announcement in October 2025, which also came to nothing and has since become a plan to strengthen local government – speaks volumes about the French political establishment’s difficulty in conceiving of genuine decentralisation.

Yet this decentralisation is more necessary than ever. Reflection on the new economic model has shown us that the region, alongside the sectors, would be one of the two pivotal players in the economy, given that both are, par excellence, spaces for organising relationships of all kinds. However, the institutional framework must be conducive to this, which is not currently the case. And, for the same reason, local areas must play a vital role in the renewal of democracy. For every

local area is hit head-on by all global developments. One might even say that it is at this level that these developments manifest themselves most tangibly, whether in terms of climate change, dependence on Chinese goods, an ageing population, pressure on water resources, the economic and social integration of immigrants, drug trafficking, or the pervasive influence of screens and social media on young people... *Thinking 'from a local perspective' does not mean 'thinking small'; it means thinking about the world through its concrete manifestations!*

The new phase of decentralisation cannot be limited to the redistribution of powers between different levels of governance. It *must reflect three fundamental shifts: a new conception of power; the advent of a 'second modernity' in which the management of relationships has become central; and the need to ensure that the various levels of governance cooperate in the pursuit of the common good.* This gives rise to nine principles for the new phase of decentralisation:

a. Decentralisation must reflect a new conception of power

If it merely served to reinforce local feudal structures, it would have negative effects capable of offsetting the positive impact of bringing citizens closer to power. There are two conceptions of power: the feudal conception, which views it as a cake to be shared, such that what one gains, another loses; and the conception that focuses on 'creative' power, which enables collective action in the face of shared challenges. It is, of course, the second conception that genuine decentralisation must promote. It describes governance as the art of policy-making; *it emphasises collective processes and the co-construction of the public good with all stakeholders.*

b. Decentralisation must be based on a clear vision of the role of local authorities in the 21st century and usher in the transition to 'second modernity'

This is, of course, the crux of the matter, and we shall not return to it

c. Decentralisation must prioritise the concept of multi-level governance

Multi-level governance is based on the observation that no real societal problem can be addressed at a single level. One need only consider security, education, healthcare, the integration of immigrants, economic policy, the energy transition, transport organisation, the electricity grid, water management... to be convinced of this. The principle of multi-level governance is enshrined at European level but is ignored in France because it runs counter to the tenets of French political thought, which is the source of the current shortcomings in decentralisation. An important corollary follows from this observation: *what must be considered and placed at the heart of the law are the arrangements for cooperation between levels;* otherwise, this inevitable cooperation is thwarted by the allocation of exclusive powers to each level of governance. These arrangements for cooperation are defined by the principle of *active subsidiarity*, according to which the 'higher' level must refrain from imposing on the 'lower' level obligations of means, but rather *obligations of result* – defined as the guiding principles which experience has shown to be the conditions for the success of a policy. There is indeed 'subsidiarity' because the lowest level is given the freedom to devise the practical means of fulfilling these guiding principles, but it is 'active' subsidiarity because common guiding principles ensure the coherence of the whole. To this end, decentralisation must be accompanied by the systematic sharing of local experiences, such as the Citego 'bank of experiences' on cities, territories and governance, www.citego.org. Applying AI to such a highly structured body of knowledge makes it possible, on countless subjects and in real time – at the initiative of citizens, local authority teams, and, a fortiori, the State – to identify these performance obligations and guiding principles established through experience.

d. Most major public policies can and must be rethought from a local perspective

This is certainly the case for the energy transition, but also for education, health, immigration and security. Within this philosophy of governance, the exchange and capitalisation on experiences – both French and international – is the key to success, and citizens must be involved in a variety of ways in the development of guiding principles. Education is a good example. I was directly involved in the work of the ‘Osons les territoires’ collective on educational reform, and by taking a local approach, we can restore a coherence to education – from nursery school to higher education – that the system has lost, and ground the education system in the concrete reality of society, whether in terms of our relationship with the biosphere or the needs of the economy.

e. Accompanied by a reform of the Constitution

The decentralisation laws of 1982–1983 established the principle that no local authority may exercise supervisory authority over another. Article 72 of the Constitution indeed stipulates: ‘No local authority may exercise supervisory authority over another.’ This intention on the part of the legislature is, in fact, a vote of no confidence in local politics, which is deemed incapable of setting aside partisan rivalries for the sake of the common good. According to this principle, any conflict between local authorities should be arbitrated by the State. There is no better way of putting it: in French political thought, only the State administration is the guardian of the general interest. But if that is the case, why on earth decentralise? It is clear that this is a vicious circle. So much for the regions’ legislative or regulatory powers! A genuine decentralisation law must repeal this principle, which has no equivalent in genuinely decentralised countries, as it deprives the regions in particular of any legislative or regulatory powers applicable across their entire territory.

f. Prioritising the employment catchment area level

This choice is essential for the allocation of financial resources, even if, in accordance with the principle of active subsidiarity, it is less so for the allocation of ‘powers’, as these are necessarily shared. In Belgium, Germany and Spain, local authorities receive 50 per cent of total tax revenue, compared with just 19 per cent in France. This is what has made French decentralisation a sham, as the State and its numerous agencies are able to reclaim – through a multitude of standards and master plans, and via the system of grants and calls for proposals – the power that had apparently been handed over to local authorities.

The direct allocation of tax revenue to local authorities must prioritise the levels of actual interdependence within society. This fundamental principle was disregarded by the laws of 1982–1983. No one doubts the importance of our traditional local authorities in shaping our sense of identity, and it is well known that the mayor remains the most popular political figure. But this is neither a level for fiscal solidarity, nor a level for managing employment and housing, nor a level for managing water resources, and so on. This is why, since 1983, there has been a proliferation of corrective legislation, transferring ever more resources and powers to inter-municipal bodies whilst refraining from giving them any real democratic substance for fear of competing with the mayors. Hence the infamous administrative and political ‘mille-feuille’ structure that everyone complains about.

In any genuine reform of decentralisation, we cannot therefore avoid defining the appropriate level of interdependence to be prioritised in order to transfer fiscal resources. Three criteria must be taken into account:

- a) aligning with the level of actual economic and social interdependence;

- b) ensuring that there are no more than twenty second-tier local authorities in each region, as this is essential for organising personalised dialogue with each one;
- c) taking into account existing institutions, in particular inter-municipal bodies and metropolitan areas.

The most coherent scope for a major reform today would be the *employment area* within which the vast majority of a population is employed; INSEE currently identifies 305 such areas. Based on this principle, there is nothing to prevent adjustments being made, involving the public in defining the boundaries of fiscal solidarity, to take account of local identities and history, for example where an employment area closely matches the boundaries of an inter-municipal body or a department. The employment zone also has the advantage of providing each Region with a limited number of points of contact. Choosing this scale makes it possible to organise a two-tier system of fiscal solidarity: first within the employment zone, and secondly, through the regions and the State, between ‘rich’ and ‘poor’ employment zones. Because, by definition, all social classes and all economic activities are represented within an employment zone, it becomes possible – following the example of our neighbours – to undertake a far-reaching tax reform to achieve a sharing of tax revenue between the State and local authorities (primarily regions and employment zones) of around 50 per cent. . If we were to manage to double the current percentage, we would reach 38 per cent, close to the European average of 34 per cent.

g. An opportunity to extend deliberative democracy

Decentralisation alone is not enough to revitalise democracy. Citizens aspire to greater participation in the formulation and implementation of public policies. Admittedly, this aspiration is not universal: some simply wish to benefit from efficient public services and behave towards public institutions as ‘customers’ rather than as ‘citizens’. Indeed, many local elected representatives complain about the purely demand-driven attitudes of their constituents. Deliberative democracy is one way forward. Significant lessons have been learnt in recent years, and the two most recent citizens’ conventions – on end-of-life care and school timetables – have demonstrated its maturity and credibility. However, including for national policies, a two-tier approach needs to be rolled out: firstly, regional conventions, at the level of areas of effective solidarity – ideally employment areas – and secondly, at national level for national policies and at regional level for regional policies.

h. Redistributing the expertise currently held by the State amongst the various levels of governance

State agencies have flourished against a backdrop of a shortage of human resources at local authority level, which is itself linked to the excessively small scale of the local authorities favoured under current decentralisation laws. Hence the current paradox of a surge in the number of local civil servants and a shortage of skilled staff within local authorities¹. The current functioning of state agencies leads to a vicious circle, multiplying their sector-specific interventions with local authorities at significant transaction costs, and constituting a sort of ‘disposable learning’, as the lessons learnt from an intervention do not provide local authorities with sustainable human resources. Yet the challenge is to encourage local authorities to define comprehensive, long-term transition strategies. Regionalising these agencies would not necessarily lead to significant progress. Nor would the transfer of these agencies’ local-level structures to the authority of the prefect, as proposed in the spring 2026 bill on strengthening local government. As already

¹ The number of staff in the central civil service increased by 7 per cent over the period 1997–2023. The number of staff in the local civil service, meanwhile, rose sharply, by 46 per cent over the period 1997–2023. This increase would be even greater if the staff transferred by the State were not excluded from this figure.

mentioned in relation to the economy, there should be a shift towards decentralising the agencies' human resources to 'second-tier local authorities', ideally employment areas, drawing inspiration from what was done in the 1960s when the urban planning agencies were established. These agencies would operate as a network, possibly sharing specialist technical expertise amongst themselves. They would play a decisive role in implementing the principle of active subsidiarity.

i. Strengthening the State's strategic role

According to a simplistic view of decentralisation, the State should focus on its 'sovereign' functions: security, defence, the organisation of taxation and the management of international relations. This is incorrect. The State must retain its full role in major policy areas – economic policy, the fight against climate change, managing an ageing population, the organisation of energy transport networks, water cycle management, the protection of natural resources and the coastline, security, health...— but it must do so within the framework of the principle of active subsidiarity, by facilitating collective discussion amongst the Regions on the guiding principles to be adopted; and this facilitation must give far greater weight than at present to international comparisons, particularly at European level.

2.2 From representative democracy to permanent democracy

Representative democracy as we still practise it today – with elected representatives sent to an assembly, equipped with a more or less specific mandate and returning after a few years to seek re-election – was a response in the eighteenth century to the conditions of the time: low literacy rates, slow transport, the impossibility of rapid long-distance communication, and communication that was almost exclusively written beyond the immediate local sphere. None of these conditions apply to today's world. And the implicit three-pronged framework on which governance is based is also that of early modernity: institutions, the powers allocated to each of them, and rules. Hence the almost cancerous proliferation of new laws, many of which will not even have implementing decrees, and the tendency, whenever a problem arises, to address it with new legislative provisions. To the extent that laws sometimes appear to be merely a form of political discourse, a mode of communication, rather than a means of actually influencing reality. Seeking to reform the democratic system through new rules – a Sixth Republic, frequent popular referendums, the possibility of recalling an elected representative during their term of office, a constitutional obligation to systematically consult panels of citizens, to name but a few proposals that recur regularly – is, in these circumstances, somewhat paradoxical, as it emphasises form over substance.

In a rapidly changing world, there will always be institutions, areas of competence for each of them, and rules; but the importance of this first pillar will give way to a second: jointly identified objectives, an ethic of dialogue and responsibility; and multi-stakeholder processes for developing solutions. The examples cited regarding the economy, the fight against global warming, soil, water and territories illustrate this. These are new practices, new methods of collectively unravelling problems, and new ways of learning to cooperate. Whether these processes culminate in laws passed by a parliament – why not? – the essential work will have taken place beforehand. The outcome may also be a change in practices, a new vision of the future, a fresh perspective on the issue at hand, or a new way of cooperating. When discussing regions, I have referred to the 'intangible capital' of societies to describe this slow learning process through which a society identifies an issue and learns to address it, to take account of divergent interests and viewpoints, and to seek consensus. This concept applies to society as a whole. It is indeed a form of capital because the lessons learnt in dealing with one issue will be reinvested in tackling another, sometimes a completely different one. These processes can begin at any time and come to fruition... when they do, but in truth the transformations can be ongoing and result from the

process itself rather than from its formal conclusions. In short, it is not a question of replacing representative democracy with another form, but of fostering the learning processes of permanent democracy.

2.3 The organisation of the Estates General of French society

The change of era – the transition from the first to the second modernity – cannot be decreed, nor can it be imposed through a top-down movement from the ‘knowing’ to the ‘uninformed’. It must be experienced and conceived collectively, ensuring that citizens – invited to thoroughly rethink public policies and practising amongst themselves the interconnectedness that characterises this new era – can free themselves from ways of thinking inherited from the past and allow themselves to envisage the future by drawing on a wide range of perspectives. This is the context in which permanent democracy is being put into practice today. With a view to transforming the conception of power, *the ‘what’ – the political programme – is replaced by the ‘how’ – the way of devising it collectively*, whilst restoring social bonds to their rightful dignity.

When, in past centuries, France found itself at an impasse – often because the mental and institutional framework had failed to evolve in step with society itself – Estates-General were convened. The most famous was, of course, that of 1788, which heralded the French Revolution, but others preceded and followed it. Convening one today would mean ‘putting society to work’, mobilising intellects and experiences in a fundamentally cross-party process involving all strata and all age groups of society. This is possible thanks to advances in deliberative democracy. This requires citizens to have access to all the necessary information on the topics they are discussing, in particular the various regional experiences, proposals from think tanks, evaluations of current policies and comparisons with other countries. This is possible today through the judicious use of artificial intelligence, applied to well-managed bodies of knowledge, enabling summaries of these four sources of insight to be made available rapidly on all subjects.

In keeping with the central role of the regions, this ‘Estates General’ of French society would be organised in two stages: a regional stage followed by a national stage, focusing on the major policies chosen by the citizens themselves.

2.4 Restoring the European project to its former glory

European integration, despite all its limitations, is the only political creation to emerge from the Second World War that holds promise for the future, because it is the sole example of the peaceful overcoming of national self-interest – the transition from solitary sovereignties to sovereignties based on solidarity, to use Mireille Delmas Marty’s fine phrase. As such, it must be defended tooth and nail. It is no coincidence that, in 2025, the leaders of the two neo-empires, Donald Trump and Vladimir Putin, joined forces against it: its very existence was an intolerable refutation of their ideology. But the tide has gradually turned, and we must capitalise on this historic opportunity – confirmed both by the fall of Viktor Orbán in Hungary and by the regret felt by the majority of Britons at having gone through with Brexit – to undertake a profound reform of Europe in response to this new era.

The need today to defend at all costs the progress made possible by European integration must not obscure its current major weaknesses: following the failure of the EDC (European Defence Community) in 1954, Europe’s founding fathers proposed, for want of a better alternative, to build Europe as a large unified market. Originally conceived as a means of saving a European project still in its infancy, this ‘Plan B’ laid the foundations for European governance for the decades that followed. However, in the meantime, it is the global market that has become unified – at least until the backlash of recent years, epitomised by Donald Trump – turning a Europe incapable of developing common industrial and defence policies into the soft underbelly of a unified global

market, the full effects of which are now evident in our political dependence on the United States and our economic dependence on China.

The proliferation of regulations, intended to guarantee at least an apparent level playing field within Europe, has become – as it has for the French state – a veritable addiction and even, as highlighted by the Draghi report, the source of a loss of competitiveness for Europe vis-à-vis its major competitors. By making Europe, to borrow the words of the former President of the European Commission, Jean-Claude Juncker, ‘small in small matters and great in big ones’, in line with the new principles of governance, the European Union will be able to recapture the spirit of its epic journey and invent a ‘21st-century federation’, as different from the federations of the past as the decentralisation proposed for France is from the decentralisations of the past. This shows just how much a French decentralisation inspired by the principles set out here could fuel the necessary reform of the European Union.

European governance is, in fact, already ahead of French governance. For example, in 2018 the European Commission published a communication setting out the principles of multi-level governance and active subsidiarity. The effective implementation of these principles comes up against a Brussels administrative culture that regards the enactment of regulations as the be-all and end-all of the exercise of Europe’s prerogatives, leading it to underestimate one of the most interesting innovations of European governance: the ‘open consultation method’, which bears many similarities to the principle of active subsidiarity. But the intentions are already there. I put forward six proposals to ‘make European integration an epic endeavour’ once more:

a. to make European governance a model of multi-level governance; to review all European policies and, wherever possible, replace uniform standards with guiding principles to be implemented in each Member State. This applies to the organisation of the single market, which, as we have seen, must be able to coexist with local markets, just as the euro coexists with local currencies;

b. recognise and promote the importance of local communities and regions as the basic level of multi-level governance and as key players in the transition to sustainable societies;

c. create the conditions for a permanent democracy and strengthen Europeans’ sense of belonging. Common institutions, a common market, freedom of movement and establishment, and even a common currency are not enough to create a ‘European people’ who are conscious of sharing common values and a common destiny. European integration has made it possible to overcome centuries of rivalries and wars; this is no small achievement. Programmes such as Erasmus and the numerous twinning arrangements between towns and regions help to forge human bonds that institutions cannot replace, but they are not enough. Chancellor Bismarck believed that only the sword and blood could forge a people. European integration is seeking to disprove this. Today, we must go further: not by organising a European Constituent Assembly, as some would wish – for that would once again confuse institutions with societies, but a genuine constituent assembly, based on principles similar to those of the Estates General proposed for France, with at least two stages – regional and then European – bringing the major prospects for the future and Europe’s place in the construction of the ‘second modernity’ into public debate.

d. Adopt a European Charter of Human Responsibilities to underpin the renewal of the social contract; we shall discuss this in greater detail later on.

e. renew economic thinking and, on this basis, reorient the ‘New Green Deal’. The backlash we are currently witnessing, both at European Union level and in France, requires us to think collectively about the ‘great leap forward for the economy’ and to redefine the terms of the European transition towards sustainable societies, using the five criteria defined previously as a

starting point; taking into account society's *entire ecological footprint*, with an *annual obligation* to reduce this footprint; upholding *the requirement for social justice*; creating a *ripple effect amongst all stakeholders*; and, finally, adhering to *the principle of least constraint*

f. ensuring that Europe actively contributes to the dialogue between societies and to the development of legitimate and effective global governance.

The similarity between these proposals and everything that has been described for France is, of course, no coincidence. It is indeed governance at all levels that needs to be rethought and, whether the sovereigntists like it or not, we must accept the fact that the national level – around which our collective narrative has been built for several centuries – is merely one level amongst many in the transformation and management of the planet and humanity. This is a message which, by the very nature of its structure, the European Union is well placed to convey on a global scale. *The art of governance is both the art of fostering greater unity and greater diversity – which is the aim of the principle of active subsidiarity – and the art of managing relationships.* Europe can embody this.

3. A new balance between individual rights and responsibilities

This is, following the overhaul of the economic model and governance, the third transformation we must lead.

3.1 Responsibility: a universal value

Early modernity saw the emergence, affirmation and incorporation of individual human rights into our legal systems: the culmination of a very long process, traces of which can already be found in the Bible, distinguishing the individual from their community and placing them at the centre of political and social thought. From the 1789 Declaration of the Rights of Man and of the Citizen to the 1948 Universal Declaration of Human Rights – which established individual rights as the sole universal value – and on to its subsequent developments, which gradually extended political rights to include economic, social and environmental rights, we have witnessed a geographical and thematic expansion of individual rights, which are often easier to proclaim than to put into practice. But this expansion, which places individual rights at the heart of the legal system – particularly in Europe – raises a twofold question: is this conception of the individual and their rights truly rooted in all cultures? And can a society really be built exclusively on the rights of individuals, at the risk of turning it into a society of victims where everyone sees only the rights which, whilst proclaimed in theory, are denied to them in practice?

Towards the end of the twentieth century, and particularly under the impetus of UNESCO, a debate began on whether or not universal values exist – values that might be found in one form or another in all cultures and which could form the basis for the coexistence of all the peoples of the earth.

This debate stemmed from the observation that the Universal Declaration of Human Rights, gradually adopted by the global community, was primarily rooted in Western culture and that its adoption was directly linked to Western dominance in the aftermath of the Second World War; yet in most of the world's languages, no equivalent could be found. But it was also fuelled by the realisation, established as early as the first World Conference on the Environment in Stockholm in 1972, that the two pillars of the international community established in the aftermath of the war – the UN Charter and the Universal Declaration of Human Rights – said nothing about what was to become the major challenge of the coming century: humanity's ability to manage sustainable relations with the biosphere.

I personally played an active part in this research, within the framework of the Alliance for a

Responsible and United World, and we came to the conclusion that a universal value did indeed exist, one found—albeit with variations—in all cultures: *responsibility*. It is universal because it reflects the idea of community: *a community exists when each of its members recognises that they are accountable for the impact of their actions on other members of the community*. Conversely, the impact of their actions on anything outside the community is of no consequence. The idea of responsibility does not negate – quite the contrary – the idea of individual rights, but leads to the search for a fair balance between rights and responsibilities.

In authoritarian societies, where little importance is attached to freedom and individual rights, people have duties rather than responsibilities and must conform to standards of conduct. *The idea of responsibility is inseparable from that of freedom*. Jérôme Vignon, former head of the European Foresight Unit, established during Jacques Delors’s presidency of the European Commission, observed that despite the wide variety of social systems across EU Member States, there was one essential common feature; these are societies based on *the social contract*, which defines for social groups the balance between the freedom they enjoy and the responsibilities they assume in return towards society.

This applies to all social groups, but in proportion to the freedoms they enjoy – freedom of enterprise, freedom of research, freedom of teaching, freedom of publication... – and to their power; consequently, the formulation of this social contract is particularly important for businesses, financial institutions, the research sector, the political sphere and journalism.

The idea of responsibility is, of course, not absent from our societies. It is, in fact, a cornerstone of our legal system. Is this enough? No, because, as with the economy and governance, our legal systems remain trapped in society’s past, in an era when – to cite just one example – the fact that the sum of human activities was capable of disrupting the climate was scarcely envisaged (even though, in reality, as early as the Neolithic period, humankind began to radically transform the biosphere). As a result, we continue to conceive of our responsibilities in terms of ‘limited liability’ – to borrow the definition of a limited liability company (SARL), where the investor’s risk is limited to the loss of their initial investment but has no impact on the rest of their assets. But this is where the problem lies: *the sum of each actor’s limited responsibilities results in societies with unlimited irresponsibility*. This is something we are seeing more and more clearly every day.

3.2 Recognising the necessary transformation of liability and translating it into legal systems

The transformation of our societies in response to this current impasse in ethics and law is therefore a two-stage process: recognising that society is based on a balance between the rights and responsibilities of its members; and undertaking – including at the legal level – a transformation of the concept of responsibility to bring it into line with the new realities of the world. This transformation comprises six dimensions:

a. from subjective liability to objective liability. In the past, intention was essential to establishing liability. Today, what matters is whether an action, even if the intentions behind it are pure, actually has a negative impact on the rest of the community;

b. from liability limited in time and space to unlimited liability. The concept of liability limited in time and space was intended, onThe number of staff in the central civil service increased by 7 per cent over the period 1997–2023. The number of staff in the local civil service, meanwhile, rose sharply, by 46 per cent over the period 1997–2023. This increase would be even greater if the staff transferred by the State were not excluded from this figure. the one hand, to confine the analysis of the impact of actions to a limited community – generally a national one – and, on the other hand, to prevent the perpetuation of vendettas in the name of wrongs suffered long ago. The statute of limitations for crimes – which stirs public opinion in cases such as child sexual abuse or slavery –

stems from this delimitation of liability in time and space. But today, as illustrated by the issue of global warming – where our lifestyles impact the entire planet for centuries to come – this strict delimitation of responsibility in time and space no longer holds. We see this in the debate over whether former industrialised nations should account for their past greenhouse gas emissions;

c. from personal responsibility to collective responsibility. This is another highly contentious issue due to its historical connotations: the collective responsibility of the German people towards the victims of Nazism. But today it is no longer possible to sidestep this issue, for whilst environmental damage may constitute actual crimes – such as the deliberate dumping of toxic waste – the bulk of the impacts on the biosphere result from the sum of billions of acts, none of which is directly reprehensible in itself;

d. from responsibility towards the past to responsibility towards the future. Current liability law focuses on actual damage and requires proof of a cause-and-effect relationship between the act and its consequences. This can always fuel the kind of controversies that companies are so adept at stirring up, whether concerning tobacco, asbestos or persistent pollutants. Above all, whilst establishing liability may certainly satisfy the victims, the major challenge today is to prevent harm, not to provide compensation for it. The concept of responsibility towards future generations naturally contributes to this shift in focus: one cannot speak of redress for harm suffered by a generation that does not yet exist;

e. from liability towards humans alone to liability towards the entire biosphere. The multiple and irreversible interdependencies between societies across the globe and between humanity and the biosphere now preclude a narrow conception of liability in which the only parties to whom accountability is owed are members of the national community; yet this is, broadly speaking, the state of our legal system. Climate change has certainly already prompted attempts to broaden this perspective, with lawsuits brought against states or companies by organisations—sometimes from other continents—which, through a broad interpretation of the right to a healthy environment, can invoke responsibility towards the biosphere. The attempt to grant legal personality to rivers or fragile ecosystems is one way of extending rights to entities other than humans, but it is in reality a roundabout way of raising the question of our responsibility towards them. These various attempts are all approximations of a major reality that our ethics of responsibility – and subsequently our law – must take into account: the community towards which we must be responsible today includes not only the whole of humanity but also the entire biosphere. This implies the establishment of a global law that does not yet exist;

f. a shift from obligations of means to obligations of result. The number of staff in the central civil service increased by 7 per cent over the period 1997–2023. The number of staff in the local civil service, meanwhile, rose sharply, by 46 per cent over the period 1997–2023. This increase would be even greater if the staff transferred by the State were not excluded from this figure. Whilst not denying the value of promoting obligations of means to encourage actors to take greater responsibility – such as the duty of care incumbent on large companies, or the standards that public authorities may set for the discharge of pollutants into the atmosphere, for example – what matters is the reality of the impacts. The idea of an annual reduction in greenhouse gas emissions, which I mentioned in relation to the fight against climate change, illustrates this shift from means to results.

3.3. France and Europe as pioneers of a Universal Declaration of Human Responsibilities

France, together with the European Union, would do itself credit by playing a leading role in promoting this broader vision of responsibility, just as it did in the aftermath of the war, with René Cassin, in promoting the Universal Declaration of Human Rights. The task today would be, within

a timeframe justified by the urgency of establishing the ethical and legal framework for our societies, to bring about a National Declaration of Human Responsibilities – the counterpart to our 1789 Declaration of the Rights of Man and of the Citizen – and the adoption by the international community of a Universal Declaration of Human Responsibilities, the counterpart to the 1948 Universal Declaration of Human Rights. Then, in the wake of this, to propose a global law of responsibility based on the philosophy of multi-level governance, with economic and financial actors having a global impact themselves being subject to a global law. France would be betraying the past to which it so often refers – and which has earned it a global reputation far greater than its actual influence in world affairs – if it did not make it a duty to champion the need for ethics and a legal framework commensurate with the challenges of the century.

As part of the Alliance for a Responsible and United World, we have drawn up a draft Universal Charter which can serve as a starting point for a national, European and ultimately global charter:

Draft Universal Declaration of Human Responsibilities

Preamble

We, the representatives of the Member States of the United Nations, noting

1- that the scale and irreversibility of the interdependencies that have arisen between human beings, between societies, and between humanity and the biosphere constitute a radically new situation in the history of humankind, irrevocably transforming it into a community of destiny;

2- that the indefinite continuation of current lifestyles and patterns of development, accompanied by a tendency to limit one's own responsibilities, is incompatible with harmony amongst societies, the preservation of the planet's integrity and the safeguarding of the interests of future generations;

3- that the scale of the changes now required is beyond the capacity of any one of us and requires the commitment of all individuals and all public and private institutions;

4- that the legal, political and financial arrangements for the governance and oversight of public and private institutions, particularly those with a global impact, do not encourage them to fully assume their responsibilities, and may even encourage irresponsibility;

5- that an awareness of our shared responsibilities towards the planet is a prerequisite for the survival and progress of humanity;

6- that our shared responsibility, beyond the legitimate interests of our peoples, is to preserve our unique and fragile planet, by preventing major imbalances from leading to ecological and social disasters affecting all the peoples of the earth;

7- that consideration for the interests of others and the community, and reciprocity amongst its members, are the foundations of mutual trust, a sense of security, respect for the dignity of every individual, and justice;

8- that the proclamation and pursuit of universal rights are not sufficient to regulate our conduct, as rights are ineffective when no single institution has the capacity to guarantee the conditions for their application on its own;

9- that these observations necessitate the adoption of common ethical principles to guide our conduct and our rules, as well as those of our peoples;

We hereby adopt, on behalf of our peoples, this Universal Declaration of Human Responsibilities and undertake: to make it the foundation of our conduct and our relationships; to promote it across all sectors

of society; to take it into account and put it into practice in international law and in national legislation.

Principles of Human Responsibility

1. *The exercise by each individual of their responsibilities is an expression of their freedom and dignity as a citizen of the global community;*
2. *Every human being, and all of us together, bear a shared responsibility towards others, towards the community both near and far, and towards the planet, in proportion to each person's resources, power and knowledge.*
3. *This responsibility entails taking into account the immediate or delayed effects of one's actions, and preventing or compensating for any harm caused, whether or not such actions were committed intentionally, and whether or not they affect legal persons. It applies to all areas of human activity and across all scales of time and space.*
4. *This responsibility is perpetual where the damage is irreversible.*
5. *The liability of institutions, whether public or private, regardless of the rules governing them, does not exempt their leaders from liability, and vice versa.*
6. *The possession or use of a natural resource entails a responsibility to manage it in the best interests of the common good.*
7. *The exercise of power, regardless of the rules by which it is conferred, is legitimate only if those exercising it are accountable for their actions to those over whom that power is exercised, and if it is accompanied by rules of accountability commensurate with the influence wielded.*
8. *No one can shirk their responsibility on the grounds of powerlessness if they have not made the effort to join forces with others, or on the grounds of ignorance if they have not made the effort to inform themselves.*

This text dates from 2012, when Michel Rocard and I attempted to put the Declaration on the agenda for the Rio+20 summit. We encountered expressions of interest from various governments but failed to achieve our aim at a summit where the ambition was not to move forward but merely to avoid going backwards. We are undoubtedly still a long way from adoption by the United Nations General Assembly, given that this Declaration challenges the principle of state sovereignty States, upon which the 'international community' is founded – in practice, a 'trade union of heads of state', to borrow Georges Berthoin's apt expression. This highlights the importance of an initiative that is first and foremost French and European, and the value of seeking to apply the Declaration's principles across different sectors of society by reformulating their social contract.

3.4 Renewing the social contract: a major political issue

Our societies are based on implicit or explicit social contracts which underpin the legitimacy of the exercise of power, irrespective of the legal framework within which that power is exercised. This issue has already been addressed in relation to the legitimacy of the exercise of economic power. Reflection on responsibility and on the Universal Declaration of Human Responsibilities now enables us to systematise this approach.

The balance between the power exercised and the manner in which it is exercised lies at the heart of social cohesion. In this regard, we can speak in the modern era of an implicit or explicit social contract. Apart from a few extremists who believe that freedom of research or teaching must be entirely unhindered, or that the freedom to engage in business with the sole aim of maximising profit is what best serves the interests of humanity, this social contract – much like mission-driven enterprises – calls for reciprocal commitments to the pursuit of the common good. In this field, as in others, current social contracts – inherited from a history of varying length – are rooted in a

reality that is now outdated.

Thus, the social contract for research was formulated in the aftermath of the last war, at a time when the end of the massive mobilisation of material and intellectual resources to defeat German and Japanese imperialism raised the question of how these resources might be reinvested for peaceful purposes. It is based on the idea that free research is the best means of fostering innovation, which will lead to new products, which in turn will drive development, which will create jobs, which will foster social cohesion – including within the dynamic of ‘creative destruction’ so dear to Joseph Schumpeter. The social contract of higher education was based on the assumption that the freedom to teach within faculties organised into autonomous disciplines would enable the nation to produce the elites it needed. The social contract of business, sometimes referred to as the ‘Fordist pact’ after Henry Ford, stipulated that free enterprise would redistribute the fruits of growth fairly. The social contract of the financial sector was based on the idea of its ability to channel savings and investment towards prosperous and well-managed enterprises in line with the priorities of societal development.

These contracts no longer function, each for its own reasons. Yet their existence is essential to a harmonious society; if the exercise of freedom in these various spheres no longer appears to contribute to the common good, society is undermined from within. On what common basis can the social contract be rebuilt? On the broad definition of responsibility whose contours we have outlined. In the book **Metamorphoses of Responsibility and the Social Contract**, I undertook the task of applying the principles of the Universal Declaration of Human Responsibilities to various fields of activity, including those I have just mentioned. What matters here is not whether my proposals are sound, convincing or likely to be adopted by the relevant communities. In any case, they entail a serious overhaul of current practices. What matters is to *make the renewal of these social contracts a major political issue* and to take the initiative in launching a collective debate that will enable us to achieve this.

4. France in the world: a blueprint for legitimate global governance

The level of interdependence between societies around the world is such that it is becoming impossible to distinguish between what falls within the remit of national politics and what seems lost in the stratosphere of geopolitics. The lives of the French people are directly affected by Donald Trump, the closure of the Strait of Hormuz, and Chinese policy. Without a global capacity to steer change based on the 21st-Century Agenda – which has served as a guide for the proposals just presented – there is good reason to fear that humanity will be unable to manage our interdependencies.

International action is generally lumped together under the heading of ‘foreign policy’ and dealt with within the framework of relations between states. But the illusion that inter-state relations alone are sufficient to represent dialogue between societies has been dispelled. The distinction between foreign policy and domestic policy, which was based on the distinction between ‘us’ and ‘them’, is itself no longer valid. The planet has become our ‘home’, our new oïkos, as Mikhail Gorbachev had already emphasised in his famous 1988 speech to the UN:

‘foreign affairs’ are in reality our domestic affairs. The national and European levels are two levels – important, certainly, but two levels amongst many others – within a multi-level system of governance ranging from local territories to the global stage. The proposals to be put forward in the context of the 2027 elections must therefore necessarily include a global dimension. Presumptuous? No, because, given its history, France’s voice retains a certain influence on all these issues, provided that its position is developed in collaboration with the other Member States of the European Union.

These proposals are guided by a single principle – indeed, the only one that can truly secure a future for humanity: *the building of a responsible and united world*. Dialogue between sovereign

states will never achieve this. The UN will never succeed in establishing a dialogue between the world's regions that leads not to a world state – a utopia that is, alas, futile and has been replaced by the global hegemony of the United States for its own benefit alone – but to *effective, multi-level global governance, built through successive learning processes and a global law of responsibility*.

The example of Europe demonstrates the need to combine the emergence of a community of destiny with the construction of common institutions capable of embodying it. This emergence of a community of destiny requires dialogue between societies – which cannot be reduced to dialogue between states – the recognition of shared values, and learning to tackle common challenges. One way for France to affirm its commitment to building a responsible and united world would be to transform the current Directorate for Globalisation within the Ministry of Foreign Affairs into a State Secretariat for Globalisation, and the Ministry itself into a Ministry for Europe, Globalisation and Foreign Affairs, limiting the concept of 'foreign affairs' to matters of bilateral relations: globalisation is no longer confined to coordinating France's diplomatic action or participating in major summits of heads of state; it is humanity's capacity to manage its shared challenges. This State Secretariat would thus embody France's commitment to playing a full part in shaping a new form of global governance. This would encompass: peace-building; dialogue between societies; the emergence of a global law of responsibility; and the management of global commons.

4.1 Promoting the art of peace

All recent conflicts confirm that military action is never sufficient to create lasting peace. The military are the first to realise this. The art of peace is an art in its own right; peace is not merely the absence of war. Year after year, we see that what realists consider possible bears no relation to what is needed today to keep the planet habitable. Building peace today – between people, between societies, and between humanity and the biosphere – means finding ways to make the necessary possible.

The art of war has a history stretching back thousands of years. It is taught in countless academies and is described by two concepts: 'strategy', or the art of commanding armies, and 'polemology', or the art of analysing conflicts. Yet there are no equivalent concepts for peace, and one would search in vain, in universities or elsewhere, for any teaching of the art of peace. By taking the initiative to foster the creation of an international network of peace schools, by helping to establish it as a discipline in its own right within universities, and by shaping and drawing lessons from the many experiences – failures as well as successes – of building lasting peace, and by emphasising the continuity between the different levels of peace, from learning to live together at school and in the neighbourhood right up to the global level, France can help shine a spotlight on one of the major challenges of our time.

The art of peace is not pacifism or the denial of conflict. Conflicts are everywhere. Genuinely accepting differences is never straightforward. Material and symbolic interests compete with one another. The art of peace is the art of seeking non-violent resolutions to these many conflicts.

4.2 Promoting new forms of dialogue between societies

One of the most effective ways of overcoming the stereotypes, ignorance, mistrust and resentment that so often characterise relations between peoples is to foster direct dialogue between societies – particularly between different social and professional groups within each society – focusing on how each society addresses the same social, economic and environmental issues, I have personally experienced this kind of dialogue between European and Chinese societies – in theory one of the most difficult due to the distance between our cultures and political systems – and have seen just how much this dialogue dismantled the preconceived notions we held of one another. 'Give them a tower to build and you will make them brothers,' says an African proverb. *It is by discovering, beyond their differences, that they face similar challenges that societies realise they belong to the*

same human family.

These dialogues are not always easy. In intercultural exchanges, misunderstanding is the rule rather than the exception. It is therefore in our best interests to help pupils discover the many sources of misunderstanding from their school days onwards. Reflecting economic globalisation, it is transnational companies – faced with the challenge of managing production units across different continents – that are the most advanced in providing training in intercultural dialogue. Let us capitalise on these advances to turn them into shared knowledge. This will be useful, including in France itself, for the harmonious management of a society that has become largely intercultural.

This dialogue between societies could be one of the key areas of focus for European philanthropy – which is all too often confined to initiatives that, whilst useful, are ultimately marginal – and help to consolidate Europe’s ‘soft power’.

4.3 Contributing to the emergence of a global law of liability

The absence of a global legal framework applicable to all types of actors is one manifestation of the lag in legal systems – which have remained essentially national – compared with the reality of global interdependencies. International law governs only relations between states. Only the International Criminal Court (ICC) operates on a global scale, but its jurisdiction is limited to those countries that have acceded to it. The first step is to secure the international community’s accession to the Universal Declaration of Human Responsibilities or to whatever might result from an international dialogue on this draft Declaration. The advantage, when compared to the ICC, would be that a country could exclude from its market a company registered in a country that refuses to accede to the Declaration.

It is in everyone’s interest – for both theoretical reasons (the complementarity between the two Declarations, that of rights and that of responsibilities) and practical ones – not to reinvent the wheel, but to integrate the legal monitoring of the Declaration into the framework that has been established over the decades for human rights, for which regional courts have begun to develop a practice of cross-referenced case law. Only companies with a global impact would fall under the jurisdiction of a global court, whilst smaller companies would fall under that of a regional court and, for even smaller ones, national courts, in accordance with the principles of multi-level governance.

4.4 Participating in the management of global commons

Global commons – starting with the climate, biodiversity and the oceans – are currently the subject of inter-state dialogue and are managed by diplomats through treaties and agreements. Yet they are anything but a ‘foreign affair’ for us. Recurring heatwaves demonstrate this in very concrete terms. These global commons fall very directly within the responsibility of all states and all stakeholders. The Kyoto Protocol introduced the concept of ‘common but differentiated responsibilities’ of states with regard to the climate – a fine phrase that has remained devoid of substance due to the absence of a global law of liability capable of legally defining each party’s actual responsibility. We are entering a new era in which the legal consolidation of liability is essential.

In accordance with this principle, including what the draft Universal Declaration refers to as the ‘functional ownership’ of natural resources—which links ownership to the corresponding responsibilities to maintain that which contributes to the common good—it will be possible to establish within the United Nations system a ‘guardian’ for each common good, tasked with ensuring respect for its integrity and, in this capacity, with bringing proceedings before the courts against any public or private actor that fails to fulfil its obligations.